

D R A F T

SUMMARY

Permits Higher Education Coordinating Commission to establish by rule minimum standards required for graduating from hair design, barbering, esthetics or nail technology schools.

Requires commission to approve, rather than review, mission statements of public universities.

Requires State Apprenticeship and Training Council to work with commission, rather than State Board of Education, to adopt policies regarding apprenticeship and training.

Requires ASPIRE programs to provide financial aid instruction to middle school, high school and college students.

Permits commission to enter into contracts and agreements for certain higher education and workforce development activities.

Amends how federal government share is calculated for purposes of Oregon Opportunity Grant.

Transfers moneys from which interest is used to provide financial aid to students to study barbering, hairdressing, manicure and esthetics from Oregon Student Assistance Fund to Oregon Community Foundation.

Changes name of Executive Director of the Office of Student Access and Completion to Director of the Office of Student Access and Completion.

Updates statutory references to General Educational Development (GED) test to clarify that test is example, and not only possibility, of approved high school equivalency test.

A BILL FOR AN ACT

1

2 Relating to higher education; creating new provisions; amending ORS

3 240.309, 332.114, 339.505, 339.520, 341.522, 344.257, 344.760, 345.400, 348.205,

4 348.250, 348.260, 348.263, 348.270, 348.272, 348.310, 348.320, 348.340, 348.350,

5 348.360, 348.370, 348.390, 348.448, 348.500, 348.511, 348.520, 348.563, 348.570,

6 348.592, 348.616, 348.618, 348.621, 348.625, 348.630, 348.635, 348.640, 348.670,

1 350.075, 350.080, 350.085, 350.175, 350.645, 411.892, 411.894, 418.658, 421.084,
2 660.157, 660.162, 660.167, 660.353, 676.815, 694.055, 696.022, 703.090, 807.066
3 and 809.380 and section 2, chapter 109, Oregon Laws 2016; and repealing
4 ORS 348.290.

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

6 **SECTION 1.** ORS 345.400 is amended to read:

7 345.400. In addition to the other requirements of ORS 345.010 to 345.450,
8 the rules adopted by the Higher Education Coordinating Commission to
9 regulate schools teaching hair design, barbering, esthetics or nail technol-
10 ogy:

11 (1) May include rules the commission considers necessary to protect the
12 economic or physical health and safety of the public and of the students at-
13 tending the school including compliance with ORS 345.110.

14 (2) Shall include rules that set standards for teachers teaching in schools
15 licensed to teach hair design, barbering, esthetics or nail technology pursu-
16 ant to ORS 345.010 to 345.450.

17 (3) Shall require the schools to teach, and require for graduation from the
18 school, courses that meet [*the following*] minimum standards[:]
19 **set by the commission by rule.**

20 [*(a)(A) A minimum hourly training requirement for:*]

21 [*(i) Hair design, 1,450 hours;*]

22 [*(ii) Barbering, 1,100 hours;*]

23 [*(iii) Esthetics, 250 hours; and*]

24 [*(iv) Nail technology, 350 hours; and*]

25 [*(B) In addition to the programs listed in this subsection, a student is also*
26 *required to successfully complete the following requirements once:*]

27 [*(i) Safety and sanitation, 150 hours; and*]

28 [*(ii) Career development, 100 hours.*]

29 [*(b) A student proficiency-based training requirement for hair design, bar-*
30 *bering, esthetics or nail technology, if the school has developed written re-*
31 *quirements for graduation that are approved by the commission.*]

1 **SECTION 2.** ORS 350.085 is amended to read:

2 350.085. The Higher Education Coordinating Commission shall:

3 (1) [*Review*] **Approve** all mission statements of the public universities
4 listed in ORS 352.002; and

5 (2) Approve all significant changes to academic programs offered at the
6 public universities, and shall ensure that the changes:

7 (a) Are consistent with the mission statement of the respective public
8 university;

9 (b) Do not unnecessarily duplicate academic programs offered by other
10 public universities;

11 (c) Are not located in a geographic area that will cause undue hardship
12 to Oregon's other public universities; and

13 (d) Are allocated among the public universities to maximize the achieve-
14 ment of statewide needs and requirements.

15 **SECTION 3.** ORS 660.157 is amended to read:

16 660.157. (1) Each state joint committee, with the prior approval of the
17 State Apprenticeship and Training Council, shall prescribe a standard course
18 of study, developed from a trade analysis, for the trade, craft or industrial
19 occupation over which the committee exercises jurisdiction. Each such
20 course of study shall include instructional objectives and an outline of
21 course content for related instruction and manipulative instruction in the
22 classroom. The prescribed course shall also provide for evaluation procedures
23 and instruments for measuring performance. For all programs in
24 apprenticeable occupations a minimum of 144 hours of related instruction per
25 year is recommended.

26 (2) Except as provided in subsection (3) of this section, no course of study
27 for the instruction of apprentices or trainees that has not been prescribed
28 pursuant to subsection (1) of this section may be implemented under ORS
29 660.002 to 660.210.

30 (3) Notwithstanding subsections (1) and (2) of this section, any course of
31 study for the instruction of apprentices or trainees may be implemented un-

1 der ORS 660.002 to 660.210 where such course of study:

2 (a) Involves instruction in any trades or crafts where the industry will
3 provide the facilities for training;

4 (b) Prepares apprentices and trainees in any trades or crafts;

5 (c) Requires expert instructors to meet the level of skill and training re-
6 quired by the industry;

7 (d) Is substantially equivalent to the standard course prescribed under
8 subsection (1) of this section; and

9 (e) Is supervised by a local joint committee or by a joint industry trust
10 fund committee.

11 (4) Where a course of study meets the requirements of subsection (3) of
12 this section, such course shall be approved:

13 (a) By the state joint committee;

14 (b) By the [*State Board of Education*] **Higher Education Coordinating**
15 **Commission** for apprenticeship training credit; and

16 (c) By the Higher Education Coordinating Commission for community
17 college associate degrees.

18 (5) Operation of a course of study under subsection (3) of this section
19 shall be the responsibility of the recognized local apprenticeship committee
20 or local industry trust fund or recognized local employee organization. Such
21 local committee, trust or organization may prescribe criteria for enrollment
22 into the course of study.

23 **SECTION 4.** ORS 660.162 is amended to read:

24 660.162. The [*State Board of Education*] **Higher Education Coordinating**
25 **Commission**, in cooperation with the State Apprenticeship and Training
26 Council and the appropriate state joint committee, by rule shall adopt poli-
27 cies, standards and programs to carry out the provisions of ORS 660.002.
28 Such policies, standards or programs may involve any of the following mat-
29 ters:

30 (1) Development of courses of study for apprentices and trainees in the
31 trade, craft or industrial occupation over which the committee exercises ju-

1 jurisdiction.

2 (2) Operation of related instruction classes by district school boards and
3 in courses implemented under ORS 660.157 (3).

4 (3) Development of uniform standards covering occupational qualifica-
5 tions and teacher training requirements for instructors.

6 (4) Preservice and inservice training for instructors.

7 (5) Evaluation procedures for determining credit for apprenticeship
8 training toward community college associate degrees.

9 (6) Defining procedures for granting credit for work experience to in-
10 structors, skilled craftsmen or journeymen toward the requirements of a
11 community college associate degree.

12 **SECTION 5.** ORS 660.167 is amended to read:

13 660.167. The State Apprenticeship and Training Council, in cooperation
14 with the [*State Board of Education*] **Higher Education Coordinating**
15 **Commission**, shall adopt policies regarding:

16 (1) Evaluation procedures relating to the determination of apprenticeship
17 credit for work experience, education and training.

18 (2) Procedures for demonstrating the level of achievement required in any
19 area of related instruction, including but not limited to taking a qualifying
20 examination of the course content.

21 **SECTION 6.** ORS 348.500 is amended to read:

22 348.500. (1) The Higher Education Coordinating Commission may establish
23 Access to Student Assistance Programs in Reach of Everyone (ASPIRE) to
24 provide information about financial aid and education and training options
25 beyond high school to students in Oregon [*secondary*] schools **and colleges**.

26 The goals of the programs are to:

27 (a) Provide mentoring and resources to help students access education and
28 training beyond high school;

29 (b) Help [*high*] **Oregon** schools build a sustainable community of volun-
30 teer mentors; and

31 (c) Educate students and families about the scholarship application pro-

1 cess and other options for paying for post-secondary education.

2 (2) The programs shall bring together students, school staff, community
3 volunteers and parents to help students overcome obstacles to their contin-
4 uing education. The programs may provide training, technical assistance and
5 other resources to Oregon **middle schools**, high schools **and colleges** on
6 how to establish a volunteer-based program. Adult volunteers who are
7 trained through the program may provide mentoring, training and encour-
8 agement to students about post-secondary options and financial aid.

9 (3) Each year, the programs shall provide financial aid instruction to
10 **middle school**, high school **and college** students and make the instruction
11 available to the students' families. [*This instruction may be conducted in*
12 *conjunction with existing ASPIRE programs.*] The instruction should focus
13 on areas of academic interest or career opportunities identified as partic-
14 ularly relevant to the students and provide information on apprenticeships
15 or technical and occupational career pathways, with a focus on local ap-
16 prenticeships or local technical and occupational career pathways.

17 (4) The financial aid instruction required under subsection (3) of this
18 section must outline:

19 (a) The different types of student loans that are available to students at-
20 tending post-secondary institutions of education;

21 (b) The potential use of individual development accounts established un-
22 der ORS 458.675 to 458.700 to pay for post-secondary education; and

23 (c) The short-term and long-term economic impacts of each type of student
24 loan or individual development account.

25 **SECTION 7.** ORS 350.075, as amended by section 5, chapter 30, Oregon
26 Laws 2016, and section 55, chapter 117, Oregon Laws 2016, is amended to
27 read:

28 350.075. (1) As used in this section, "student access programs" means
29 scholarship, loan, grant and access programs described in ORS chapter 348.

30 (2) The Higher Education Coordinating Commission shall be guided by
31 the legislative findings in ORS 341.009, 350.001 and 350.005 and the goals and

1 mission of post-secondary education set forth in ORS 350.009 and 350.014.

2 (3) The Higher Education Coordinating Commission shall:

3 (a) Develop state goals for the state post-secondary education system, in-
4 cluding community colleges and public universities listed in ORS 352.002, and
5 for student access programs.

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

9 (c) Coordinate the post-secondary elements of data collection and struc-
10 ture, with the advice and recommendation of the state's independent insti-
11 tutions, community colleges and public universities, as appropriate, in order
12 to construct a state longitudinal data system.

13 (d) Adopt a strategic plan for achieving state post-secondary education
14 goals, taking into consideration the contributions of this state's independent
15 institutions, philanthropic organizations and other organizations dedicated
16 to helping Oregonians reach state goals. State post-secondary education
17 goals as described in this section should include, but need not be limited to:

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

19 (B) Increasing this state's global economic competitiveness and the qual-
20 ity of life of its residents;

21 (C) Ensuring affordable access for qualified Oregon students at each col-
22 lege or public university;

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

24 (E) Tracking progress toward meeting the state's post-secondary education
25 goals established in the strategic plan described in this paragraph.

26 (e)(A) Each biennium, after receiving funding requests from the state's
27 community colleges and public universities as authorized by law, recommend
28 to the Governor a consolidated higher education agency request budget
29 aligned with the strategic plan described in paragraph (d) of this subsection,
30 including appropriations for:

31 (i) Student access programs;

1 (ii) Public universities listed in ORS 352.002, including but not limited to
2 education and general operations, statewide public services and state-funded
3 debt service;

4 (iii) Community colleges, including but not limited to education and gen-
5 eral operations and state-funded debt service;

6 (iv) New facilities or programs;

7 (v) Capital improvements and deferred maintenance; and

8 (vi) Special initiatives and investments.

9 (B) In the development of the consolidated higher education agency re-
10 quest budget:

11 (i) Determine the costs necessary to provide quality post-secondary edu-
12 cation;

13 (ii) Solicit input from educators, education policy experts, appropriate
14 legislative committees, students and other persons interested in the develop-
15 ment of the funding model; and

16 (iii) Solicit public input regarding educational priorities.

17 (f) Adopt rules governing the distribution of appropriations from the
18 Legislative Assembly to community colleges, public universities listed in
19 ORS 352.002 and student access programs. These rules must be based on
20 allocation formulas developed in consultation with the state's community
21 colleges and public universities, as appropriate.

22 (g) Approve or disapprove any significant change to the academic program
23 of a community college or a public university listed in ORS 352.002. In
24 reaching a decision under this paragraph, the commission shall consider the
25 recommendation from the community college or public university seeking to
26 make the change to an academic program that is issued pursuant to the ob-
27 ligation of the governing board of a community college or public university
28 to review and approve academic programs. The commission shall ensure that
29 approved programs:

30 (A) Are consistent with the mission statement of the community college
31 or public university;

1 (B) Do not unnecessarily duplicate academic programs offered by Oregon's
2 other community colleges or public universities;

3 (C) Are not located in a geographic area that will cause undue hardship
4 to Oregon's other community colleges or public universities; and

5 (D) Are allocated among Oregon's community colleges and public univer-
6 sities to maximize the achievement of statewide needs and requirements.

7 (h) For public universities listed in ORS 352.002:

8 (A) Approve the mission statement adopted by a governing board of a
9 public university.

10 (B) Review and determine whether a proposed annual increase of resident
11 undergraduate enrollment fees of greater than five percent is appropriate.

12 (C) Advise the Governor and the Legislative Assembly on issues of uni-
13 versity governance.

14 (D) Approve and authorize degrees.

15 (E) Perform the evaluation and certification required by ORS 350.095.

16 (i) Authorize degrees to be offered by independent post-secondary insti-
17 tutions in this state under ORS 348.594 to 348.615.

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

19 (k) Have the authority to enter into and administer interstate agreements
20 regarding the provision of post-secondary distance education. The partic-
21 ipation by an educational institution that is not based in this state in dis-
22 tance learning courses or programs that are part of an interstate agreement
23 entered into and administered under this paragraph does not constitute op-
24 erating in this state for purposes of ORS 348.594 to 348.615. The commission,
25 by rule, may impose a fee on any educational institution that seeks to oper-
26 ate under or participate in such interstate agreements. The fee amount shall
27 be established to recover designated expenses incurred by the commission in
28 participating in such agreements.

29 (L) Coordinate and collaborate with the Chief Education Office as pro-
30 vided by section 1, chapter 519, Oregon Laws 2011.

31 (4)(a) The Higher Education Coordinating Commission shall implement a

1 process to resolve student complaints against any school operating in this
2 state. As part of the process implemented under this subsection, the com-
3 mission may:

4 (A) Receive student complaints from students regarding a school;

5 (B) Specify the type of information that must be included in a student
6 complaint;

7 (C) Investigate any student complaint filed against a school;

8 (D) Establish a process to review and resolve student complaints against
9 a school, including but not limited to reviewing school records, holding ad-
10 ministrative hearings and issuing final orders;

11 (E) Assess a fee to cover the costs of any proceeding brought under this
12 subsection, including but not limited to the costs of an investigation or ad-
13 ministrative hearing;

14 (F) Require a school to make full or partial restitution to a student or
15 to cease an act or practice that is challenged in a student complaint;

16 (G) Adopt rules to implement the provisions of this subsection; and

17 (H) Enter into agreements to implement the provisions of this subsection.

18 (b) Any hearing held under this subsection is subject to the provisions
19 of ORS chapter 183.

20 (c) As used in this subsection:

21 (A) "School" means a school that meets the requirements of ORS 348.597
22 (2)(a); and

23 (B) "Student" means a person who is enrolled or accepted for enrollment
24 at a school for the purpose of obtaining a degree, certificate or other recog-
25 nized educational credential offered by that school.

26 (5) In addition to the duties described in subsections (2) to (4) of this
27 section, the Higher Education Coordinating Commission shall advise the
28 Legislative Assembly, the Governor, community colleges, public universities
29 and other state boards and commissions on policies in order to:

30 (a) Ensure or improve access to higher education by diverse and under-
31 served populations.

1 (b) Encourage student success and completion initiatives.

2 (c) Improve the coordination of the provision of educational services, in-
3 cluding:

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

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

6 (C) Applied baccalaureate and other transfer degrees;

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

8 (E) Reciprocity agreements with other states.

9 (d) In coordination with the State Board of Education, enhance the use
10 and quality of dual credit, career and technical pathways and efforts to cre-
11 ate a culture of college attendance in this state.

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

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

19 (6) The Higher Education Coordinating Commission, in a manner con-
20 sistent with ORS chapter 183, may adopt administrative rules.

21 (7) With the exception of the rulemaking authority granted in subsection
22 (6) of this section, the Higher Education Coordinating Commission may del-
23 egate any of its powers, duties or functions to a committee of the commission
24 or to the executive director of the commission.

25 (8) The Higher Education Coordinating Commission may:

26 (a) Establish technical or advisory committees to assist the commission
27 in exercising its powers, duties and functions; **or**

28 **(b) Subject to the Public Contracting Code, enter into contracts and**
29 **agreements, including grant agreements, with public and private en-**
30 **tities for those higher education and workforce development activities**
31 **that are consistent with ORS 350.001 and 350.005, with the policies set**

1 **forth in ORS chapters 341 and 348 and with statutory policies related**
2 **to career schools and public universities.**

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

8 **SECTION 8.** ORS 350.075, as amended by section 61, chapter 774, Oregon
9 Laws 2015, section 6, chapter 30, Oregon Laws 2016, and section 56, chapter
10 117, Oregon Laws 2016, is amended to read:

11 350.075. (1) As used in this section, “student access programs” means
12 scholarship, loan, grant and access programs described in ORS chapter 348.

13 (2) The Higher Education Coordinating Commission shall be guided by
14 the legislative findings in ORS 341.009, 350.001 and 350.005 and the goals and
15 mission of post-secondary education set forth in ORS 350.009 and 350.014.

16 (3) The Higher Education Coordinating Commission shall:

17 (a) Develop state goals for the state post-secondary education system, in-
18 cluding community colleges and public universities listed in ORS 352.002, and
19 for student access programs.

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

23 (c) Coordinate the post-secondary elements of data collection and struc-
24 ture, with the advice and recommendation of the state’s independent insti-
25 tutions, community colleges and public universities, as appropriate, in order
26 to construct a state longitudinal data system.

27 (d) Adopt a strategic plan for achieving state post-secondary education
28 goals, taking into consideration the contributions of this state’s independent
29 institutions, philanthropic organizations and other organizations dedicated
30 to helping Oregonians reach state goals. State post-secondary education
31 goals as described in this section should include, but need not be limited to:

- 1 (A) Increasing the educational attainment of the population;
- 2 (B) Increasing this state's global economic competitiveness and the qual-
3 ity of life of its residents;
- 4 (C) Ensuring affordable access for qualified Oregon students at each col-
5 lege or public university;
- 6 (D) Removing barriers to on-time completion; and
- 7 (E) Tracking progress toward meeting the state's post-secondary education
8 goals established in the strategic plan described in this paragraph.

9 (e)(A) Each biennium, after receiving funding requests from the state's
10 community colleges and public universities as authorized by law, recommend
11 to the Governor a consolidated higher education agency request budget
12 aligned with the strategic plan described in paragraph (d) of this subsection,
13 including appropriations for:

- 14 (i) Student access programs;
- 15 (ii) Public universities listed in ORS 352.002, including but not limited to
16 education and general operations, statewide public services and state-funded
17 debt service;
- 18 (iii) Community colleges, including but not limited to education and gen-
19 eral operations and state-funded debt service;
- 20 (iv) New facilities or programs;
- 21 (v) Capital improvements and deferred maintenance; and
- 22 (vi) Special initiatives and investments.

23 (B) In the development of the consolidated higher education agency re-
24 quest budget:

- 25 (i) Determine the costs necessary to provide quality post-secondary edu-
26 cation;
- 27 (ii) Solicit input from educators, education policy experts, appropriate
28 legislative committees, students and other persons interested in the develop-
29 ment of the funding model; and
- 30 (iii) Solicit public input regarding educational priorities.

31 (f) Adopt rules governing the distribution of appropriations from the

1 Legislative Assembly to community colleges, public universities listed in
2 ORS 352.002 and student access programs. These rules must be based on
3 allocation formulas developed in consultation with the state's community
4 colleges and public universities, as appropriate.

5 (g) Approve or disapprove any significant change to the academic program
6 of a community college or a public university listed in ORS 352.002. In
7 reaching a decision under this paragraph, the commission shall consider the
8 recommendation from the community college or public university seeking to
9 make the change to an academic program that is issued pursuant to the ob-
10 ligation of the governing board of a community college or public university
11 to review and approve academic programs. The commission shall ensure that
12 approved programs:

13 (A) Are consistent with the mission statement of the community college
14 or public university;

15 (B) Do not unnecessarily duplicate academic programs offered by Oregon's
16 other community colleges or public universities;

17 (C) Are not located in a geographic area that will cause undue hardship
18 to Oregon's other community colleges or public universities; and

19 (D) Are allocated among Oregon's community colleges and public univer-
20 sities to maximize the achievement of statewide needs and requirements.

21 (h) For public universities listed in ORS 352.002:

22 (A) Approve the mission statement adopted by a governing board of a
23 public university.

24 (B) Review and determine whether a proposed annual increase of resident
25 undergraduate enrollment fees of greater than five percent is appropriate.

26 (C) Advise the Governor and the Legislative Assembly on issues of uni-
27 versity governance.

28 (D) Approve and authorize degrees.

29 (E) Perform the evaluation and certification required by ORS 350.095.

30 (i) Authorize degrees to be offered by independent post-secondary insti-
31 tutions in this state under ORS 348.594 to 348.615.

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

2 (k) Have the authority to enter into and administer interstate agreements
3 regarding the provision of post-secondary distance education. The partic-
4 ipation by an educational institution that is not based in this state in dis-
5 tance learning courses or programs that are part of an interstate agreement
6 entered into and administered under this paragraph does not constitute op-
7 erating in this state for purposes of ORS 348.594 to 348.615. The commission,
8 by rule, may impose a fee on any educational institution that seeks to oper-
9 ate under or participate in such interstate agreements. The fee amount shall
10 be established to recover designated expenses incurred by the commission in
11 participating in such agreements.

12 (4)(a) The Higher Education Coordinating Commission shall implement a
13 process to resolve student complaints against any school operating in this
14 state. As part of the process implemented under this subsection, the com-
15 mission may:

16 (A) Receive student complaints from students regarding a school;

17 (B) Specify the type of information that must be included in a student
18 complaint;

19 (C) Investigate any student complaint filed against a school;

20 (D) Establish a process to review and resolve student complaints against
21 a school, including but not limited to reviewing school records, holding ad-
22 ministrative hearings and issuing final orders;

23 (E) Assess a fee to cover the costs of any proceeding brought under this
24 subsection, including but not limited to the costs of an investigation or ad-
25 ministrative hearing;

26 (F) Require a school to make full or partial restitution to a student or
27 to cease an act or practice that is challenged in a student complaint;

28 (G) Adopt rules to implement the provisions of this subsection; and

29 (H) Enter into agreements to implement the provisions of this subsection.

30 (b) Any hearing held under this subsection is subject to the provisions
31 of ORS chapter 183.

1 (c) As used in this subsection:

2 (A) "School" means a school that meets the requirements of ORS 348.597
3 (2)(a); and

4 (B) "Student" means a person who is enrolled or accepted for enrollment
5 at a school for the purpose of obtaining a degree, certificate or other recog-
6 nized educational credential offered by that school.

7 (5) In addition to the duties described in subsections (2) to (4) of this
8 section, the Higher Education Coordinating Commission shall advise the
9 Legislative Assembly, the Governor, community colleges, public universities
10 and other state boards and commissions on policies in order to:

11 (a) Ensure or improve access to higher education by diverse and under-
12 served populations.

13 (b) Encourage student success and completion initiatives.

14 (c) Improve the coordination of the provision of educational services, in-
15 cluding:

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

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

18 (C) Applied baccalaureate and other transfer degrees;

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

20 (E) Reciprocity agreements with other states.

21 (d) In coordination with the State Board of Education, enhance the use
22 and quality of dual credit, career and technical pathways and efforts to cre-
23 ate a culture of college attendance in this state.

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

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

31 (6) The Higher Education Coordinating Commission, in a manner con-

1 sistent with ORS chapter 183, may adopt administrative rules.

2 (7) With the exception of the rulemaking authority granted in subsection
3 (6) of this section, the Higher Education Coordinating Commission may del-
4 egate any of its powers, duties or functions to a committee of the commission
5 or to the executive director of the commission.

6 (8) The Higher Education Coordinating Commission may:

7 (a) Establish technical or advisory committees to assist the commission
8 in exercising its powers, duties and functions; **or**

9 (b) **Subject to the Public Contracting Code, enter into contracts and**
10 **agreements, including grant agreements, with public and private en-**
11 **tities for those higher education and workforce development activities**
12 **that are consistent with ORS 350.001 and 350.005, with the policies set**
13 **forth in ORS chapters 341 and 348 and with statutory policies related**
14 **to career schools and public universities.**

15 (9) The Higher Education Coordinating Commission may exercise only
16 powers, duties and functions expressly granted by the Legislative Assembly.
17 Except as otherwise expressly provided by law, all other authorities reside
18 at the institutional level with the respective boards of the post-secondary
19 institutions.

20 **SECTION 9.** ORS 350.080 is amended to read:

21 350.080. The Higher Education Coordinating Commission may:

22 (1) Consistent with the laws of this state, accept money or property not
23 otherwise provided for under subsection (2) of this section that is donated
24 for the use or benefit of community colleges and use such money or property
25 for the purpose for which it was donated. Until it is used, the commission
26 shall deposit any moneys received under this subsection in a special fund
27 with the State Treasurer as provided in ORS 293.265 to 293.275.

28 (2) Apply for federal funds **or funds from any other source** and accept
29 and enter into any contracts or agreements on behalf of this state for the
30 receipt of such funds from the federal government, [*or its*] **federal** agencies
31 **or any other entity providing funding** for:

- 1 (a) Educational purposes;
- 2 (b) Career and technical education programs at community colleges;
- 3 (c) Adult education programs;
- 4 (d) Workforce training programs; and
- 5 (e) Any grants available to this state or its political subdivisions for
- 6 general federal aid for community colleges and their auxiliary services, im-
- 7 provement of teacher preparation, teacher salaries, construction of school
- 8 buildings, administration of the commission and any other educational ac-
- 9 tivities under the jurisdiction of the commission.

10 **SECTION 10.** ORS 348.205 is amended to read:

11 348.205. (1) The Oregon Opportunity Grant program is established within

12 the Higher Education Coordinating Commission.

13 (2) Under the program, the cost of education of a qualified student shall

14 be shared by the student, the family of the student, the federal government

15 and the state.

16 (3) The [*Executive*] Director of the Office of Student Access and Com-

17 pletion shall determine the cost of education of a qualified student based on

18 the type of eligible post-secondary institution the student is attending. The

19 cost of education equals:

20 (a) For a student attending a community college, the average cost of ed-

21 ucation of attending a community college in this state;

22 (b) For a student attending a public university listed in ORS 352.002, the

23 average cost of education of attending a public university;

24 (c) For a student attending a two-year Oregon-based, generally accredited,

25 not-for-profit institution of higher education, the average cost of education

26 of attending a community college in this state; and

27 (d) For a student attending the Oregon Health and Science University or

28 a four-year Oregon-based, generally accredited, not-for-profit institution of

29 higher education, the average cost of education of attending a public uni-

30 versity listed in ORS 352.002.

31 (4)(a) The [*executive*] director shall determine the amount of the student

1 share. The student share shall be based on:

2 (A) The type of eligible post-secondary institution the student is attend-
3 ing;

4 (B) The number of hours of work that the *[executive]* director determines
5 may be reasonably expected from the student; and

6 (C) The amount of loans that the *[executive]* director determines would
7 constitute a manageable debt burden for the student.

8 (b) The student shall determine how to cover the student share through
9 income from work, loans, savings and scholarships.

10 (c) The student share for a student who attends a community college may
11 not exceed the amount that the *[executive]* director determines a student may
12 earn based on the number of hours of work reasonably expected from the
13 student under paragraph (a) of this subsection.

14 (d) The student share for a student who attends an eligible post-secondary
15 institution that is not a community college may not exceed the sum of the
16 amount that the *[executive]* director determines a student may receive as
17 loans plus the amount a student may earn based on the number of hours of
18 work reasonably expected from the student under paragraph (a) of this sub-
19 section.

20 (5) The *[executive]* director shall determine the amount of the family
21 share. The family share shall be based on the resources of the family.

22 (6) The *[executive]* director shall determine the amount of the federal
23 share based on how much the student or the student's family is expected to
24 receive from the federal government [*as grants, loans, tax credits or other*
25 *student assistance*].

26 (7)(a) The *[executive]* director shall determine the amount of the state
27 share. The state share shall be equal to the cost of education reduced by the
28 student share, family share and amount received by the student from the
29 federal government.

30 (b) The *[executive]* director shall establish a minimum amount that a stu-
31 dent may receive as a state share. If the *[executive]* director determines that

1 the amount of the state share of a student is below the minimum amount,
2 the student may not receive the state share.

3 (c) The [executive] director may not reduce the amount of the state share
4 of a student based on amounts available to the student by virtue of being the
5 designated beneficiary of a college savings network account established un-
6 der ORS 178.300 to 178.355.

7 (8) Subject to subsection (9) of this section, if the [executive] director de-
8 termines that there are insufficient moneys to award the state share to all
9 qualified students, the [executive] director:

10 (a) May establish the maximum amount that a student may receive as a
11 state share. This amount may vary based on whether the student is attending
12 an eligible post-secondary institution on a half-time or full-time basis.

13 (b) May establish procedures that prioritize awarding Oregon Opportunity
14 Grants to qualified students with the greatest financial need or whose cir-
15 cumstances would enhance the promotion of equity guidelines published by
16 the Higher Education Coordinating Commission.

17 (c) May not reduce the amount of the state share awarded to students in
18 the low income range in a greater proportion than the amount that the state
19 share for students in other income ranges is reduced.

20 (9)(a) The Higher Education Coordinating Commission shall adopt rules
21 that prioritize current foster children and former foster children for receiv-
22 ing Oregon Opportunity Grants when the Oregon Opportunity Grant program
23 does not have sufficient funding to serve all eligible Oregon students.

24 (b) For the purposes of this subsection, “former foster child” has the
25 meaning given that term in ORS 350.300.

26

27 **TRANSFER OF MONEYS TO OREGON COMMUNITY FOUNDATION**

28

29 **SECTION 11. (1) As used in this section, “subaccount” means the**
30 **subaccount of the Oregon Student Assistance Fund that earns interest**
31 **that the Director of the Office of Student Access and Completion may**

1 use to provide financial aid, as defined in ORS 348.505, to students to
2 study barbering, hairdressing, manicure and esthetics at eligible post-
3 secondary schools.

4 (2)(a) Following confirmation of the agreement under subsection (3)
5 of this section, the Higher Education Coordinating Commission shall
6 transfer all moneys located in the subaccount to the Oregon Commu-
7 nity Foundation for investment in the manner directed by this section.

8 (b) Moneys transferred under this subsection may not be expended
9 or otherwise used except as provided by this section.

10 (3) The commission shall enter into an agreement with the foun-
11 dation for the investment of the moneys transferred under subsection
12 (2) of this section. The agreement must include, but need not be lim-
13 ited to:

14 (a) A requirement that the foundation invest the moneys trans-
15 ferred under subsection (2) of this section as a prudent investor would,
16 under the circumstances then prevailing and in light of the purposes,
17 terms, distribution requirements and laws governing the moneys in-
18 vested;

19 (b) A requirement that the foundation not spend or use the moneys
20 transferred under subsection (2) of this section in any manner except
21 as provided by this subsection;

22 (c) A requirement that, one time per year, the foundation shall
23 transfer to the commission interest earned on the moneys transferred
24 under subsection (2) of this section;

25 (d) The rate and method by which the foundation shall be compen-
26 sated for investing the moneys transferred under subsection (2) of this
27 section; and

28 (e) A method by which the commission may require that the foun-
29 dation return to the commission the moneys, or the remainder of the
30 moneys, transferred under subsection (2) of this section.

31 (4)(a) If the commission requires that the foundation return the

1 moneys, or the remainder of the moneys, transferred under subsection
2 (2) of this section, the commission shall transfer all moneys returned
3 into the Oregon Student Assistance Fund.

4 (b) Interest earned on moneys described in paragraph (a) of this
5 subsection may be used or expended only for the purposes set forth in
6 section 12 of this 2017 Act.

7 (c) Moneys described in paragraph (a) of this subsection may not
8 be expended or otherwise used except as provided by this subsection
9 and section 12 of this 2017 Act.

10 **SECTION 12.** The Director of the Office of Student Access and
11 Completion shall apply the interest transferred to the Higher Educa-
12 tion Coordinating Commission under section 11 of this 2017 Act to
13 provide financial aid, as defined in ORS 348.505, to students to study
14 barbering, hairdressing, manicure and esthetics at eligible post-
15 secondary schools.

16 **SECTION 13.** ORS 348.290 is repealed.

17

18 **AMENDING STATUTORY REFERENCES TO**
19 **GENERAL EDUCATIONAL DEVELOPMENT (GED)**
20 **TESTS AND CERTIFICATES**

21

22 **SECTION 14.** ORS 240.309 is amended to read:

23 240.309. (1) Temporary employment shall be used for the purpose of
24 meeting emergency, nonrecurring or short-term workload needs of the state.

25 (2) A temporary employee may be given a nonstatus appointment without
26 open competition and consideration only for the purposes enumerated in this
27 section. Temporary appointments shall not be used to defeat the open com-
28 petition and consideration system.

29 (3) A temporary employee may not be employed in a permanent, seasonal,
30 intermittent or limited duration position except to replace an employee dur-
31 ing an approved leave period.

1 (4) Employment of a temporary employee for the same workload need,
2 other than for leave, may not exceed six calendar months. The decision to
3 extend the period of employment may be delegated by the Personnel Division
4 of the Oregon Department of Administrative Services to other state agencies.
5 Approval to extend shall be allowed only upon an appointing authority's
6 finding that the original emergency continues to exist and that there is no
7 other reasonable means to meet the emergency. Agency actions under this
8 subsection are subject to post-audit review by the Oregon Department of
9 Administrative Services as provided in ORS 240.311.

10 (5) Employment of a temporary employee for different workload needs
11 shall not exceed the equivalent of six calendar months in a 12-month period.

12 (6) A temporary employee shall not be denied permanent work because
13 of the temporary status. Temporary service shall not be used as any portion
14 of a required trial service period.

15 (7) The Personnel Division of the Oregon Department of Administrative
16 Services shall report the use of temporary employees, by agency, once every
17 six months, including the duration and reason for use or extensions, if any,
18 of temporary appointments. The reports shall be made available upon request
19 to interested parties, including employee organizations. If any interested
20 party alleges misuse of temporary employees, the division shall investigate,
21 report its findings and take appropriate action.

22 (8) The Department of Justice may use temporary status appointments for
23 student law clerks for a period not to exceed 24 months.

24 (9) The chief administrative law judge of the Office of Administrative
25 Hearings may use temporary status appointments for student law clerks for
26 a period not to exceed 24 months. Student law clerks appointed under this
27 subsection may not act as administrative law judges or conduct hearings for
28 the Office of Administrative Hearings.

29 (10) The Public Utility Commission may use temporary status appoint-
30 ments for student law clerks for a period not to exceed 24 months.

31 (11) A state agency may use temporary status appointments for a period

1 not to exceed 48 months for student interns who are enrolled in high school
2 or who are under 19 years of age and are training to receive a **certificate**
3 **for passing an approved high school equivalency test such as the** Gen-
4 eral Educational Development (GED) [*certificate*] **test**. Student interns are
5 not eligible for benefits under ORS 243.105 to 243.285.

6 **SECTION 15.** ORS 332.114 is amended to read:

7 332.114. (1) A person who meets the requirements under subsection (3) of
8 this section may request a school district to issue the person a high school
9 diploma if the person resides within the boundaries of the school district or
10 is a resident of this state and attended a high school of the school district.

11 (2) A representative of a deceased person who meets the requirements
12 under subsection (3) of this section may request a school district to issue a
13 high school diploma on behalf of the deceased person if the deceased person
14 resided within the boundaries of the school district at the time of death or
15 was a resident of this state at the time of death and attended a high school
16 of the school district.

17 (3) Notwithstanding the requirements for a high school diploma estab-
18 lished under ORS 329.451 and by the State Board of Education and school
19 districts, a school district that receives a request under subsection (1) or (2)
20 of this section shall issue a high school diploma to a person if the person:

21 (a) Attended a high school before serving in the Armed Forces of the
22 United States;

23 (b) Did not graduate from a high school because the person was serving
24 in the Armed Forces of the United States;

25 (c) Was discharged or released under honorable conditions from the
26 Armed Forces of the United States;

27 (d) Served in the Armed Forces of the United States as described in sub-
28 section (4) of this section; and

29 (e)(A) Has received a **certificate for passing an approved high school**
30 **equivalency test such as the** General Educational Development (GED)
31 [*certificate*] **test**;

1 (B) Has received a post-secondary degree from a community college, pub-
2 lic university listed in ORS 352.002 or other generally accredited institution
3 of higher education; or

4 (C) Has received a minimum score on the Armed Services Vocational
5 Aptitude Battery (ASVAB), as established by the Oregon Military Depart-
6 ment.

7 (4) The provisions of subsection (3) of this section apply to a person who:

8 (a) Served in the Armed Forces of the United States at any time during:

9 (A) World War I;

10 (B) World War II;

11 (C) The Korean Conflict; or

12 (D) The Vietnam War;

13 (b) Served in the Armed Forces of the United States and was physically
14 present in:

15 (A) Operation Urgent Fury (Grenada);

16 (B) Operation Just Cause (Panama);

17 (C) Operation Desert Shield/Desert Storm (the Persian Gulf War);

18 (D) Operation Restore Hope (Somalia);

19 (E) Operation Enduring Freedom (Afghanistan); or

20 (F) Operation Iraqi Freedom (Iraq); or

21 (c) Served in the Armed Forces of the United States in an area designated
22 as a combat zone by the President of the United States.

23 **SECTION 16.** ORS 339.505 is amended to read:

24 339.505. (1) For purposes of the student accounting system required by
25 ORS 339.515, the following definitions shall be used:

26 (a) "Graduate" means an individual who has:

27 (A) Not reached 21 years of age or whose 21st birthday occurs during the
28 current school year;

29 (B) Met all state requirements and local requirements for attendance,
30 competence and units of credit for high school; and

31 (C) Received one of the following:

1 (i) A high school diploma issued by a school district or a public charter
2 school.

3 (ii) A high school diploma issued by an authorized community college.

4 (iii) A modified diploma issued by a school district or a public charter
5 school.

6 (iv) An extended diploma issued by a school district or a public charter
7 school.

8 (v) An alternative certificate issued by a school district or a public
9 charter school.

10 (b) "School dropout" means an individual who:

11 (A) Has enrolled for the current school year, or was enrolled in the pre-
12 vious school year and did not attend during the current school year;

13 (B) Is not a high school graduate;

14 (C) Has not received a **certificate for passing an approved high school**
15 **equivalency test such as the** General Educational Development (GED)
16 [*certificate*] **test**; and

17 (D) Has withdrawn from school.

18 (c) "School dropout" does not include a student described by at least one
19 of the following:

20 (A) A student who has transferred to another educational system or in-
21 stitution that leads to graduation and the school district has received a
22 written request for the transfer of the student's records or transcripts.

23 (B) A student who is deceased.

24 (C) A student who is participating in home instruction paid for by the
25 district.

26 (D) A student who is being taught by a private teacher, parent or legal
27 guardian pursuant to ORS 339.030 (1)(d) or (e).

28 (E) A student who is participating in a Department of Education approved
29 public or private education program, an alternative education program as
30 defined in ORS 336.615 or a hospital education program, or is residing in a
31 Department of Human Services or an Oregon Health Authority facility.

1 (F) A student who is temporarily residing in a shelter care program cer-
2 tified by the Oregon Youth Authority or in a juvenile detention facility.

3 (G) A student who is enrolled in a foreign exchange program.

4 (H) A student who is temporarily absent from school because of suspen-
5 sion, a family emergency, or severe health or medical problems that prohibit
6 the student from attending school.

7 (I) A student who has received a **certificate for passing an approved**
8 **high school equivalency test such as the** General Educational Develop-
9 ment (GED) [*certificate*] **test**.

10 (2) The State Board of Education shall prescribe by rule when an unex-
11 plained absence becomes withdrawal, when a student is considered enrolled
12 in school, acceptable alternative education programs under ORS 336.615 to
13 336.665 and the standards for excused absences for purposes of ORS 339.065
14 for family emergencies and health and medical problems.

15 **SECTION 17.** ORS 339.520 is amended to read:

16 339.520. The minimum information to be reported on students who with-
17 draw from school prior to becoming graduates and who do not transfer to
18 another educational system is:

19 (1) Age, sex and racial-ethnic designation of the student;

20 (2) Date of withdrawal;

21 (3) Reason for withdrawal, including but not limited to expulsion, work
22 or death;

23 (4) Number of credits earned toward meeting graduation requirements, if
24 applicable, or grade level, of the reporting district;

25 (5) Length of time the student was enrolled in the reporting district;

26 (6) Information relating to the disposition of the student after withdraw-
27 ing, including but not limited to **studying for an approved high school**
28 **equivalency test such as the** General Educational Development (GED)
29 [*participation*] **test**, alternative certificate of participation, transfer to mental
30 health or youth correction facility or participation in a substance abuse
31 program or other dispositions listed in ORS 339.505 (1)(b) and (c); and

1 (7) Information on why the student withdrew as such information relates
2 to academics, conduct standards, interpersonal relationships, relation with
3 school personnel, personal characteristics such as illness, lack of motivation,
4 home and family characteristics, alternative education participation and
5 employment information.

6 **SECTION 18.** ORS 341.522, as amended by section 1, chapter 75, Oregon
7 Laws 2016, is amended to read:

8 341.522. (1) The Office of Student Access and Completion shall administer
9 the Oregon Promise program as provided by this section.

10 (2) Subject to subsections (5) and (6) of this section, the office shall pro-
11 vide a waiver of tuition for community college courses to a person who meets
12 the criteria described in subsections (3) and (4) of this section. The waiver
13 shall be a grant and limited as provided by subsections (5) and (6) of this
14 section.

15 (3) A grant shall be awarded under this section to a person who meets the
16 following criteria:

17 (a) Is enrolled in courses that are:

18 (A) Offered at a community college in this state; and

19 (B) Determined by the office, in accordance with rules adopted by the
20 Higher Education Coordinating Commission, to be required for completion
21 of:

22 (i) A one-year curriculum for students who plan to transfer to another
23 post-secondary institution of education;

24 (ii) An associate degree; or

25 (iii) A program in career and technical education;

26 (b) Has been a resident of this state for at least 12 months prior to en-
27 rolling in the courses described in paragraph (a) of this subsection;

28 (c) Attained the person's highest level of education in this state prior to:

29 (A) Receiving a diploma under ORS 329.451;

30 (B) Receiving a **certificate for passing an approved high school**
31 **equivalency test such as the** General Educational Development (GED)

1 [certificate] **test** as provided by ORS 350.175;

2 (C) Completing grade 12 in compliance with the requirements of ORS
3 339.035; or

4 (D) Completing grade 12 at a private or parochial school, as described in
5 ORS 339.030 (1)(a);

6 (d) Attained the person's highest level of education as described in para-
7 graph (c) of this subsection within six months from the date that the person
8 first enrolls in courses described in paragraph (a) of this subsection for the
9 purpose of receiving a grant under this section;

10 (e) Earned a cumulative grade point average of 2.5 or better in high
11 school or otherwise demonstrated an equivalent academic ability, as deter-
12 mined by the office according to rules adopted by the commission;

13 (f) Completed and submitted the Free Application for Federal Student Aid
14 for each academic year and accepted all state and federal aid grants avail-
15 able to the person, if eligible to file the application; and

16 (g) Has not completed either of the following:

17 (A) More than a total of 90 credit hours, or the equivalent, at a post-
18 secondary institution of education; or

19 (B) A curriculum, degree or program, as described in paragraph (a)(B) of
20 this subsection.

21 (4)(a) A person continues to remain eligible to receive a grant under this
22 section if the person, in addition to satisfying the criteria specified in sub-
23 section (3) of this section, meets the following criteria:

24 (A) Maintains at least the minimum cumulative grade point average pre-
25 scribed by the commission based on federal aid grant requirements;

26 (B) Makes satisfactory academic progress toward a curriculum, degree or
27 program, as described in subsection (3)(a)(B) of this section, as prescribed
28 by the commission based on federal aid grant requirements;

29 (C) Enrolls in courses described in subsection (3)(a) of this section for a
30 sufficient number of credit hours to be considered at least a half-time student
31 each term for at least three terms in each consecutive academic year; and

1 (D) Completes a first-year experience, as identified by the community
2 college and reported by the community college to the commission.

3 (b) A person who fails to meet an eligibility requirement described in
4 paragraph (a) of this subsection becomes ineligible to receive a grant under
5 this section for the term after which the person fails to meet the eligibility
6 requirement, unless the eligibility requirement is waived by the office ac-
7 cording to rules adopted by the commission.

8 (5)(a) The total amount of a grant awarded under this section shall be
9 based on each term that a person is enrolled in courses described in sub-
10 section (3)(a) of this section. After the amount of tuition for the person for
11 the term is reduced by \$50, to be paid by the person, and reduced by any
12 amounts received by the person in state and federal aid grants, the person
13 shall be eligible for a grant under this section in an amount that equals:

14 (A) Except as provided by paragraph (b) of this subsection, not less than
15 the greater of:

16 (i) \$1,000; and

17 (ii) The person's actual cost for tuition.

18 (B) Not more than the lesser of:

19 (i) The average cost of tuition at a community college in this state, as
20 determined by the office; and

21 (ii) The person's actual cost for tuition.

22 (b) The minimum amount of a grant, as calculated under paragraph (a)
23 of this subsection, may be prorated for a person who is enrolled in courses
24 described in subsection (3)(a) of this section for a sufficient number of credit
25 hours to be considered at least a half-time student but not a full-time stu-
26 dent.

27 (c) The commission may prescribe by rule whether to include fees, and
28 any limitations related to the inclusion of fees, when determining the actual
29 cost of tuition or the average cost of tuition under this subsection.

30 (6) The total amount in grants awarded under this section by the office
31 may not exceed \$10 million per fiscal year, or any lesser amount available

1 to the office for the purpose of this section. The commission may adopt by
2 rule the priority by which grants are awarded, which may allow for prefer-
3 ence to be given to persons enrolled in school districts or high schools that
4 meet specified criteria.

5 (7) The commission shall adopt any rules necessary for the administration
6 of this section, including any requirements related to:

7 (a) Specifying the form and timelines for submitting an application for a
8 grant under this section;

9 (b) Determining whether a person is eligible for a grant under this sec-
10 tion, including whether the person shall be given priority as allowed under
11 subsection (6) of this section;

12 (c) Implementing programs or policies that improve the academic success
13 or completion rates for persons who receive a grant under this section;

14 (d) Prescribing eligibility requirements and grant calculations for persons
15 dually enrolled in a community college and a public university; and

16 (e) Evaluating the impact of the program established under this section,
17 including any requirements for reporting data needed for evaluations.

18 (8) No later than December 31 of each even-numbered year, the commis-
19 sion shall submit to an interim legislative committee related to education a
20 report that summarizes the commission's findings on the impact of the pro-
21 gram established under this section. The report shall include:

22 (a) Student completion rates of curricula, degrees and programs described
23 in subsection (3)(a)(B) of this section;

24 (b) The amount of federal aid grants received by persons who received a
25 grant under this section;

26 (c) The financial impact of the program on school districts that had stu-
27 dents receive a grant under this section;

28 (d) The financial impact and the enrollment impact of the program on
29 community colleges and public universities in this state; and

30 (e) The overall success rate of the program and financial impact of the
31 program.

1 **SECTION 19.** ORS 344.257 is amended to read:

2 344.257. (1) For the purposes of ORS 344.259, “continuing education”
3 means organized instruction to serve the needs of post-secondary students,
4 including but not limited to:

5 (a) Courses as offered to the regular full-time resident post-secondary
6 student consisting of professional preparatory courses and professional sup-
7 plementary, technical, academic and professional courses;

8 (b) Developmental education, consisting of adult basic education, high
9 school completion courses for a high school diploma, instruction to pass
10 **approved high school equivalency tests such as** the General Educational
11 Development (GED) [*tests*] **test**, English language learner programs, and re-
12 medial instruction;

13 (c) Educational activities, consisting of adult self-improvement courses
14 and Federal Cooperative Extension Service; and

15 (d) Hobby and recreation activities.

16 (2) “Continuing education” for a community college is limited to instruc-
17 tion within district boundaries and instruction outside district boundaries
18 offered under contract.

19 **SECTION 20.** ORS 344.760 is amended to read:

20 344.760. The Legislative Assembly finds that:

21 (1) It is in the state’s interest to ensure coordination of the various
22 groups providing adult literacy services within communities.

23 (2) The demands created by new technologies and foreign competition
24 have intensified the need for a literate workforce.

25 (3) Community colleges are the major providers of adult literacy to
26 Oregon communities through adult basic education, **training for approved**
27 **high school equivalency tests such as the** General Educational Develop-
28 ment (GED) **test** and reading, tutoring and pre-employment skills classes.

29 (4) Community colleges present the opportunity of a statewide network
30 able to link libraries, providers of workforce development services, commu-
31 nity schools, volunteer literacy groups and other providers of literacy ser-

1 vices and resources.

2 **SECTION 21.** ORS 350.175 is amended to read:

3 350.175. (1) The Director of the Office of Community Colleges and
4 Workforce Development may issue **certificates for passing approved high**
5 **school equivalency tests such as the** General Educational Development
6 (GED) [*certificates*] **test** to persons who demonstrate satisfactory performance
7 in tests prescribed under subsection (2) of this section or meet the require-
8 ments of any prescribed evaluative procedure.

9 (2) The Higher Education Coordinating Commission by rule may prescribe
10 tests and other appropriate evaluation procedures for the purposes of sub-
11 section (1) of this section and may establish age, residence and other relevant
12 qualifications for applicants.

13 (3) The Office of Community Colleges and Workforce Development may
14 utilize its personnel and facilities for the administration of this section, and
15 the commission may establish by rule a nonrefundable application fee. The
16 fee may be waived by the commission in case of hardship.

17 (4) Subject to prior approval of the Oregon Department of Administrative
18 Services and a report to the Emergency Board prior to adopting the fee, the
19 fee established under subsection (3) of this section shall not exceed the cost
20 of administering the program, as authorized by the Legislative Assembly
21 within the office's budget, as the budget may be modified by the Emergency
22 Board.

23 (5) All moneys received under this section shall be deposited in the State
24 Treasury to the credit of the Office of Community Colleges and Workforce
25 Development and shall be used exclusively for administration of this section.
26 The Office of Community Colleges and Workforce Development shall keep a
27 record of all moneys deposited in such account. The record shall indicate by
28 separate cumulative accounts the source from which the moneys are derived
29 and the individual activity against which each withdrawal is charged.

30 (6) The Director of the Office of Community Colleges and Workforce De-
31 velopment shall consult with the Superintendent of Public Instruction on all

1 matters related to evaluation procedures used to measure equivalent
2 achievement under this section. The superintendent is authorized to make
3 independent recommendations on evaluation procedures to the office in those
4 cases where the superintendent's judgment differs from that of the director.

5 **SECTION 22.** ORS 411.892 is amended to read:

6 411.892. (1)(a) All employers, including public and private sector employ-
7 ers within the State of Oregon, are eligible to participate in the JOBS Plus
8 Program. The Department of Human Services shall adopt by rule a method
9 to disqualify employers from participating in the program. No employer is
10 required to participate in the JOBS Plus Program. In the event that there
11 are unassigned participants whom no employer desires to utilize, the partic-
12 ipants may be assigned to work for a public agency.

13 (b) The maximum number of program participants that any employer is
14 authorized to receive at any one time may not exceed 10 percent of the total
15 number of the employer's employees. However, each employer may receive
16 one participant. The Director of Human Services may waive the limit in
17 special circumstances.

18 (c) The Department of Human Services by rule shall establish criteria for
19 excluding employers from participation for failure to abide by program re-
20 quirements, showing a pattern of terminating participants prior to the com-
21 pletion of training or other demonstrated unwillingness to comply with the
22 stated intent of the program.

23 (2) The Department of Human Services shall ensure that jobs made
24 available to program participants:

25 (a) Do not require work in excess of 40 hours per week;

26 (b) Are not used to displace regular employees or to fill unfilled positions
27 previously established; and

28 (c) Do not pay a wage that is substantially less than the wage paid for
29 similar jobs in the local economy with appropriate adjustments for experi-
30 ence and training.

31 (3)(a) Eligibility for the program shall be limited to residents who are:

1 (A) Adults and caretaker relatives who are receiving temporary assistance
2 for needy families benefits;

3 (B) Adult Supplemental Nutrition Assistance Program recipients except
4 as described in subsection (5)(b) of this section; and

5 (C) Unemployed noncaretaker parents of children who are receiving tem-
6 porary assistance for needy families benefits.

7 (b) In addition to those residents eligible for the program under paragraph
8 (a) of this subsection, additional residents who are seeking employment may
9 be eligible for the program if there are legislatively allocated funds available
10 in the temporary assistance for needy families budget of the Department of
11 Human Services.

12 (4)(a) Individuals desiring work through the program shall contact the
13 nearest Department of Human Services office serving the county in which
14 they reside if they are temporary assistance for needy families program or
15 Supplemental Nutrition Assistance Program applicants or recipients or non-
16 custodial parents of individuals receiving temporary assistance for needy
17 families.

18 (b) With the assistance of the local JOBS Plus Implementation Councils
19 and the JOBS Plus Advisory Board, the Department of Human Services shall
20 develop a job inventory of sufficient size to accommodate all of the partic-
21 ipants who desire to work in the program. In consultation with the partic-
22 ipant, the department shall try to match the profile of each participant with
23 the needs of an employer when assigning a participant to work with the
24 employer.

25 (c) Either the employer or the participant may terminate the assignment
26 by contacting the appropriate Department of Human Services office. In such
27 event, the Department of Human Services shall reassess the needs of the
28 participant and assign the participant to another JOBS Plus Program place-
29 ment or another job opportunity and basic skills program component and,
30 at the employer's request, provide the employer with another participant.

31 (d)(A) If after four months in a placement, a participant has not been

1 hired for an unsubsidized position, the employer shall allow the worker to
2 undertake eight hours of job search per week. Participating employers shall
3 consider such time as hours worked for the purposes of paying wages.

4 (B) If after six months in a placement, a participant has not been hired
5 for an unsubsidized position, the placement shall be terminated, and the
6 caseworker shall reassess the participant's employment development plan.

7 (e) The Department of Human Services may pay placement and barrier
8 removal payments to temporary assistance for needy families program and
9 Supplemental Nutrition Assistance Program participants as necessary to en-
10 able participation in the JOBS Plus Program.

11 (f) The Department of Human Services shall accept eligible volunteers
12 into the program prior to mandating program participation by eligible per-
13 sons.

14 (5)(a) Assignment of participants to available jobs shall be based on a
15 preference schedule developed by the Department of Human Services. Any
16 temporary assistance for needy families recipient or supplemental nutrition
17 assistance recipient may volunteer for the program.

18 (b) The following individuals may not be required to participate in the
19 program:

20 (A) Recipients under the temporary assistance for needy families program
21 and the Supplemental Nutrition Assistance Program who are eligible for
22 Supplemental Security Income benefits or other ongoing state or federal
23 maintenance benefits based on age or disability.

24 (B) Supplemental nutrition assistance applicants or recipients who are
25 employed full-time or are college students eligible for supplemental nutrition
26 assistance and enrolled full-time in a community college or an institution
27 of higher education, or enrolled half-time in a community college or an in-
28 stitution of higher education and working at least 20 hours per week.

29 (C) Teenage parents who remain in high school if progressing toward a
30 diploma. Teenage parents not in school are eligible for the JOBS Plus Pro-
31 gram.

1 (c) The Department of Human Services shall provide life skills classes and
2 opportunities to achieve **a certificate for passing an approved high**
3 **school equivalency test such as the** General Educational Development
4 (GED) [*certificates*] **test** to appropriate participants in conjunction with
5 working in the JOBS Plus Program.

6 (d) Subject to subsection (7) of this section, temporary assistance for
7 needy families and supplemental nutrition assistance shall be suspended at
8 the end of the calendar month in which an employer makes the first wage
9 payment to a participant who is a custodial parent in a family that receives
10 temporary assistance for needy families or to any adult member of a house-
11 hold receiving supplemental nutrition assistance. Failure of the participant
12 to cooperate with the requirements of the JOBS Plus Program may result in
13 the participant's removal, in accordance with rules adopted by the Depart-
14 ment of Human Services, from the JOBS Plus Program and suspension of the
15 participant's temporary assistance for needy families grant and supplemental
16 nutrition assistance. A temporary assistance for needy families and supple-
17 mental nutrition assistance recipient who has been removed from the pro-
18 gram for failing to cooperate shall be eligible to reapply to participate in the
19 program and shall have eligibility for program services determined without
20 regard to the length of time the person was not participating following re-
21 moval.

22 (6)(a) Employers shall pay all participating individuals at least the hourly
23 rate of the Oregon minimum wage.

24 (b) Sick leave, holiday and vacation absences shall conform to the indi-
25 vidual employer's rules for temporary employees.

26 (c) Group health insurance benefits shall be provided by the employer to
27 program participants if, and to the extent that, state or federal law requires
28 the employer to provide such benefits.

29 (d) All persons participating in the JOBS Plus Program shall be consid-
30 ered to be temporary employees of the individual employer providing the
31 work and shall be entitled only to benefits required by state or federal law.

1 (e) Employers shall provide workers' compensation coverage for each
2 JOBS Plus Program participant.

3 (7) In the event that the net monthly full-time wage paid to a participant
4 would be less than the level of income from the temporary assistance for
5 needy families program and the supplemental nutrition assistance amount
6 equivalent that the participant would otherwise receive, the Department of
7 Human Services shall determine and pay a supplemental payment as neces-
8 sary to provide the participant with that level of net income. The department
9 shall determine and pay in advance supplemental payments to participants
10 on a monthly basis as necessary to ensure equivalent net program wages.
11 Participants shall be compensated only for time worked.

12 (8) In addition to and not in lieu of the payments provided for under
13 subsections (6) and (7) of this section, participants shall be entitled to retain
14 the full child support payments collected by the Department of Justice.

15 (9) In conformity with existing state day care program regulations, child
16 day care shall be provided for all program participants who require it.

17 (10) JOBS Plus Program employers shall:

18 (a) Endeavor to make JOBS Plus Program placements positive learning
19 and training experiences;

20 (b) Maintain health, safety and working conditions at or above levels
21 generally acceptable in the industry and no less than that of comparable jobs
22 of the employer;

23 (c) Provide on-the-job training to the degree necessary for the participants
24 to perform their duties;

25 (d) Recruit volunteer mentors from among their regular employees to as-
26 sist the participants in becoming oriented to work and the workplace; and

27 (e) Sign an agreement to abide by all requirements of the program, in-
28 cluding the requirement that the program not supplant existing jobs. All
29 agreements shall include provisions noting the employer's responsibility to
30 repay reimbursements in the event the employer violates program rules.

31 When a professional placement service, professional employment organiza-

1 tion or temporary employment agency is acting as an employer pursuant to
2 subsection (13) of this section, agreements under this paragraph shall require
3 a three-party agreement between the professional placement service, profes-
4 sional employment organization or temporary employment agency, the or-
5 ganization where the participant has been placed to perform services and the
6 State of Oregon. The three-party agreement shall include provisions requir-
7 ing that all JOBS Plus reimbursements received by the professional place-
8 ment service, professional employment organization or temporary
9 employment agency be credited to the organization where the participant has
10 been placed to perform services.

11 (11) Program participant wages shall be subject to federal and state in-
12 come taxes, Social Security taxes and unemployment insurance tax or re-
13 imbursement as applicable under ORS chapter 657, which shall be withheld
14 and paid in accordance with state and federal law. Supplemental payments
15 made pursuant to subsection (7) of this section shall not be subject to state
16 income taxes under ORS chapter 316 and, to the extent allowed by federal
17 law, shall not be subject to federal income taxes and Social Security taxes.

18 (12)(a) The Department of Human Services shall reimburse employers for
19 the employers' share of Social Security, unemployment insurance and
20 workers' compensation premiums paid on behalf of program participants re-
21 ferred to the employer by the Department of Human Services, as well as the
22 minimum wage earnings paid by the employer to program participants re-
23 ferred to the employer by the Department of Human Services.

24 (b) If the Department of Human Services finds that an employer has vio-
25 lated any of the rules of the JOBS Plus Program, the department:

26 (A) Shall withhold any amounts due to employers under paragraph (a) of
27 this subsection.

28 (B) May seek repayment of any amounts paid to employers under para-
29 graph (a) of this subsection.

30 (13) For purposes of this section, "employer" shall include professional
31 placement services, professional employment organizations and temporary

1 employment agencies.

2 **SECTION 23.** ORS 418.658 is amended to read:

3 418.658. (1) The program director of the Oregon Youth Conservation Corps
4 shall establish a separate program known as the Oregon Community
5 Stewardship Corps. In addition to the established purposes of the Oregon
6 Youth Conservation Corps, the purpose of the Oregon Community
7 Stewardship Corps is to promote community service activities throughout the
8 state for a broad cross section of Oregon disadvantaged and at-risk youth
9 through programs that also include appropriate educational and job training
10 opportunities for participants.

11 (2) In addition to projects submitted under ORS 418.660 (1), projects of the
12 Oregon Community Stewardship Corps may include, but shall not be limited
13 to:

14 (a) Child care services.

15 (b) Elderly and disabled care services.

16 (c) Literacy education programs.

17 (d) Recycling and other waste reduction services.

18 (3) The Oregon Community Stewardship Corps shall offer employment and
19 educational opportunities of at least three but not more than 12 months'
20 duration for selected participants.

21 (4) Under rules adopted by the Higher Education Coordinating Commis-
22 sion, participants who successfully complete any 12-month program under
23 this section shall be eligible for \$1,500 in tuition vouchers that can be used
24 at any career school or post-secondary educational institution that is quali-
25 fied to receive assistance through the [*Executive*] Director of the Office of
26 Student Access and Completion.

27 (5) All Oregonians who are at least 13 years of age and under 25 years
28 of age are eligible to participate in the program. To ensure that Oregon
29 Community Stewardship Corps participants represent a broad cross section
30 of Oregonians, special emphasis shall be given to recruiting school dropouts
31 and other disadvantaged and at-risk youth, according to criteria established

1 by the Oregon Youth Conservation Corps Advisory Committee.

2 (6) To the extent practicable, the program director shall enlist state and
3 federal agencies, local government, nonprofit organizations and private
4 businesses, and any combination of such entities, to act as sponsors for pro-
5 grams administered under this section. Selection of sponsors shall be based
6 on criteria that include the following:

7 (a) The availability of other resources on a matching basis, including
8 contributions from private sources, other federal, state and local agencies,
9 and moneys available through the federal Workforce Investment Act of 1998
10 (29 U.S.C. 2801 et seq.);

11 (b) The provision of related educational and job training programs to
12 participants, including but not limited to school and college coursework,
13 **training for approved high school equivalency tests such as the** General
14 Educational Development (GED) [*tests equivalency training*], project-related
15 education and professional training;

16 (c) Assurances that proposed projects will not displace existing employees
17 or duplicate existing private or government programs; and

18 (d) Assurances that proposed projects are devoted to the enhancement of
19 the community and are not based in maintenance activities and that these
20 projects meet an identified need.

21 (7) In consultation with the advisory committee and the Director of the
22 Office of Community Colleges and Workforce Development, the program di-
23 rector shall make grants for programs administered under this section.

24 **SECTION 24.** ORS 421.084 is amended to read:

25 421.084. (1) The Administrator of Correctional Education shall administer
26 an adult basic skills development program for all individuals in the custody
27 of the Department of Corrections. The program shall:

28 (a) Test individuals for basic reading and mathematics skills or, for indi-
29 viduals with limited English language proficiency, English speaking skills.
30 Testing for basic intelligence, learning disabilities, developmental disabilities
31 and adaptive behavior skills shall be administered as needed except that the

1 administrator may accept equivalent test results from other sources.

2 (b) Except as provided in subsection (2) of this section, be mandatory for
3 all individuals testing below a 8.0 grade equivalency on a standardized
4 reading test approved by the National Reporting System for Adult Education
5 of the United States Department of Education and by the Adult Basic Skills
6 Program of the Office of Community Colleges and Workforce Development.

7 (c) Provide progress testing and certification.

8 (d) Provide strong incentives for entering the program and for achieving
9 the minimum reading level and, for those individuals with demonstrated
10 ability, provide incentives for making progress toward earning a **certificate**
11 **for passing an approved high school equivalency test such as the** Gen-
12 eral Educational Development (GED) [*certificate*] **test**.

13 (e) Maintain records of an individual's achievement in the program and
14 make those records available to the State Board of Parole and Post-Prison
15 Supervision.

16 (2) Testing for basic skills and participation in the adult basic skills de-
17 velopment program are not required for inmates:

18 (a) Sentenced to or otherwise confined by the department for less than
19 one year;

20 (b) Sentenced to life imprisonment without parole;

21 (c) Sentenced to death;

22 (d) With developmental disabilities; or

23 (e) Who are specifically exempted by the Department of Corrections for
24 security or health reasons.

25 **SECTION 25.** ORS 660.353 is amended to read:

26 660.353. (1) There is created in the Office of Community Colleges and
27 Workforce Development the Oregon Youth Employment Program. Subject to
28 the availability of funding, the office shall create and operate, and local
29 workforce investment boards shall manage, the program to provide mean-
30 ingful work experience and workforce training for persons between the ages
31 of 14 and 24.

1 (2) The program shall provide to participants in the program case man-
2 agement and support services that include, but are not limited to:

3 (a) Developing an individual development plan for the participant that
4 outlines work readiness, career and educational goals;

5 (b) Work readiness instruction;

6 (c) At least 12 weeks of paid internships or other work experience; and

7 (d) Academic support for earning high school graduation credit, com-
8 pletion of [a] **approved high school equivalency programs such as the**
9 **General Educational Development (GED) certificate program** or earning col-
10 lege credit for work experience or internships provided through the program.

11 (3) The program:

12 (a) Plan, implementation procedures and evaluation criteria shall be de-
13 scribed in the local plan developed by a local workforce investment board
14 under ORS 660.327.

15 (b) May provide for public and private sector employment opportunities.

16 (4) Local workforce investment boards responsible for managing the pro-
17 gram shall ensure appropriate training and positive work experiences for
18 participants.

19 (5) The office shall collaborate with the local workforce investment
20 boards to collect data on youth work experience programs that identify suc-
21 cessful work experiences and allow for the identification and dissemination
22 of the most promising practices. The data collected shall also include the
23 number of participants in the program, the number of participants that
24 complete the program, the cost of internships and other work experiences
25 provided, the academic credit earned by participants and the number of
26 **certificates for passing approved high school equivalency tests such**
27 **as the General Educational Development (GED) [certificates] test** earned by
28 participants.

29 (6) The office shall adopt rules necessary for the implementation and op-
30 eration of the program created under subsection (1) of this section. The rules
31 shall include, but are not limited to, establishing eligibility criteria for per-

1 sons participating in the program.

2 **SECTION 26.** ORS 676.815 is amended to read:

3 676.815. The Health Licensing Office shall establish by rule criteria for
4 the registration of behavior analysis interventionists. The criteria must in-
5 clude, but are not limited to, the requirement that the applicant:

6 (1) Have a high school diploma or a **certificate for passing an approved**
7 **high school equivalency test such as the** General Educational Develop-
8 ment (GED) [*certificate*] **test**;

9 (2) Be at least 18 years of age;

10 (3) Have successfully completed a state and nationwide criminal records
11 check that requires fingerprinting;

12 (4) Have completed at least 40 hours of professional training in applied
13 behavior analysis approved by the office by rule; and

14 (5) Receive ongoing training and supervision by a licensed behavior ana-
15 lyst, by a licensed assistant behavior analyst or by another licensed health
16 care professional.

17 **SECTION 27.** ORS 694.055 is amended to read:

18 694.055. An applicant for licensure under this chapter shall pay the ap-
19 plicable fees established under ORS 676.592 and shall demonstrate to the
20 satisfaction of the Health Licensing Office that the applicant:

21 (1) Is a person 18 years of age or older.

22 (2) Has graduated from high school or has been awarded a **certificate for**
23 **passing an approved high school equivalency test such as the** General
24 Educational Development (GED) [*certificate*] **test**.

25 (3) Has completed the training and has the experience required under ORS
26 694.065.

27 **SECTION 28.** ORS 696.022 is amended to read:

28 696.022. (1) The Real Estate Agency shall establish by rule a system for
29 licensing real estate brokers, principal real estate brokers and real estate
30 property managers. The system shall establish, at a minimum:

31 (a) The form and content of applications for licensing under each category

1 of real estate professional licensed by the agency;

2 (b) A licensing examination for each category of license;

3 (c) Schedules and procedures for issuing and renewing licenses;

4 (d) The term of a license in each category; and

5 (e) Terms and conditions under which the license of a real estate licensee
6 must be returned or transferred to the Real Estate Commissioner for pur-
7 poses including, but not limited to, inactivation, suspension or termination
8 of the license.

9 (2)(a) A real estate broker may engage in professional real estate activity
10 only if the broker is associated with and supervised by a principal real estate
11 broker. Except as provided in paragraph (c) of this subsection, a real estate
12 broker may not employ, engage or supervise the professional real estate ac-
13 tivity of another real estate licensee.

14 (b) To qualify for a real estate broker's license, an applicant must furnish
15 to the commissioner at the time of application for the license:

16 (A) Certification by the applicant that the applicant has a high school
17 diploma or a **certificate for passing an approved high school equivalency**
18 **test such as the** General Educational Development (GED) [*certificate*] **test**
19 or the international equivalent, or other equivalent education acceptable to
20 the commissioner;

21 (B) Proof that the applicant:

22 (i) Has successfully completed the basic real estate broker's educational
23 courses required by rule of the agency; and

24 (ii) Has passed the real estate broker's examination required by rule of
25 the agency; and

26 (C) Certification that the applicant is at least 18 years of age.

27 (c) A real estate broker who has acquired three years of active experience
28 as a real estate broker may temporarily supervise the professional real estate
29 activity of another real estate licensee due to unforeseen circumstances or
30 the temporary absence of a sole principal real estate broker, as provided by
31 rule of the agency. The temporary supervision of professional real estate

1 activity allowed under this paragraph may not exceed 90 days.

2 (3)(a) A principal real estate broker may engage in professional real es-
3 tate activity. A principal real estate broker may conduct professional real
4 estate activity in conjunction with other real estate brokers or principal real
5 estate brokers or licensed real estate property managers. In addition, a
6 principal real estate broker may employ, engage or supervise the professional
7 real estate activity of another real estate licensee.

8 (b) To qualify for a principal real estate broker's license, an applicant
9 must furnish to the commissioner at the time of application for the license:

10 (A) Certification by the applicant that the applicant has a high school
11 diploma or a **certificate for passing an approved high school equivalency**
12 **test such as the** General Educational Development (GED) [*certificate*] **test**
13 or the international equivalent, or other equivalent education acceptable to
14 the commissioner;

15 (B) Proof that the applicant:

16 (i) Has three years of active experience as a licensed real estate broker
17 or a licensed real estate salesperson as defined in ORS 696.025 (1999 Edition);

18 (ii) Has passed the principal real estate broker's examination required by
19 rule of the agency; and

20 (iii) Has successfully completed the brokerage administration and sales
21 supervision course required by rule of the agency; and

22 (C) Certification that the applicant is at least 18 years of age.

23 (4)(a) An individual who holds a real estate property manager license may
24 engage only in the management of rental real estate.

25 (b) A licensed real estate property manager may employ, engage or su-
26 pervise the professional real estate activity of another licensed real estate
27 property manager.

28 (c) To qualify for a real estate property manager's license, an applicant
29 must furnish to the commissioner at the time of application for the license:

30 (A) Certification by the applicant that the applicant has a high school
31 diploma or a **certificate for passing an approved high school equiv-**

1 **agency test such as the** General Educational Development (GED) [*certif-*
2 *icate*] **test** or the international equivalent, or other equivalent education
3 acceptable to the commissioner;

4 (B) Proof that the applicant:

5 (i) Has successfully completed the basic real estate property manager's
6 educational courses required by rule of the agency; and

7 (ii) Has passed the real estate property manager's license examination
8 required by rule of the agency; and

9 (C) Certification that the applicant is at least 18 years of age.

10 (5)(a) A license for a real estate broker, principal real estate broker or
11 real estate property manager may be granted only to an individual who is
12 trustworthy and competent to conduct professional real estate activity in a
13 manner that protects the public interest. As a condition of licensing, the
14 commissioner may require proof of competence and trustworthiness that the
15 commissioner deems necessary to protect the public interest.

16 (b) In implementing this subsection, the commissioner shall require fin-
17 gerprints and criminal offender information of an applicant for initial li-
18 censing and may require fingerprints and criminal offender information of
19 an applicant for license renewal. Fingerprints acquired under this sub-
20 section may be used for the purpose of requesting a state or nationwide
21 criminal records check under ORS 181A.195.

22 (6) In order to qualify for a real estate broker's license, a real estate
23 salesperson licensed in another state or country must successfully complete
24 a course of study and pass a real estate broker's license examination, both
25 as prescribed by agency rule.

26 (7) In order to satisfy the educational requirements under subsections (2)
27 to (4) and (6) of this section, a course must be approved by the commissioner.
28 The commissioner shall determine the final examination score acceptable as
29 evidence of successful completion for each required course.

30 (8) The Real Estate Board may determine that an applicant for a principal
31 real estate broker's license has experience related to professional real estate

1 activity that is equivalent to the experience required under subsection (3)
2 of this section.

3 **SECTION 29.** ORS 703.090 is amended to read:

4 703.090. (1) All of the following requirements apply to an applicant for a
5 license as a general polygraph examiner. The applicant must:

6 (a) Be at least 18 years of age.

7 (b) Be a citizen of the United States.

8 (c) Not have demonstrated, in the preceding 10 years, a course of behavior
9 that indicates a high degree of probability that the applicant will be unlikely
10 to perform the duties of a polygraph examiner in a manner that would serve
11 the interests of the public.

12 (d) If previously convicted for a criminal offense, provide information, as
13 required by the Department of Public Safety Standards and Training, relat-
14 ing to the circumstances of the conviction. ORS 670.280 is applicable when
15 the department considers information provided under this paragraph.

16 (e)(A) Have received a baccalaureate degree from a college or university
17 that is accredited by the American Association of Collegiate Registrars and
18 Admissions Officers; or

19 (B) Have graduated from high school or have been awarded a **certificate**
20 **for passing an approved high school equivalency test such as the** Gen-
21 eral Educational Development (GED) [*certificate*] **test**, and have at least five
22 years of active investigative experience before the date of application.

23 (f) Have graduated from a polygraph examiners course approved by the
24 department and conforming to any minimum training standards approved by
25 the Board on Public Safety Standards and Training and have satisfactorily
26 completed at least 200 examinations, or have worked as a polygraph exam-
27 iner for a period of at least five years for a governmental agency within the
28 State of Oregon and have satisfactorily completed at least 200 examinations.

29 (g) Have successfully completed an examination conducted by the depart-
30 ment to determine, consistent with any standards approved by the board,
31 competency to act as a polygraph examiner.

1 (2) An applicant meets the requirements of subsection (1)(e) or (f) of this
 2 section if the applicant provides the Department of Public Safety Standards
 3 and Training with documentation of military training or experience that the
 4 department determines is substantially equivalent to the education or expe-
 5 rience required by subsection (1)(e) or (f) of this section.

6 (3) For the purpose of requesting a state or nationwide criminal records
 7 check under ORS 181A.195, the Department of Public Safety Standards and
 8 Training shall require each applicant to be fingerprinted as part of the li-
 9 censing procedure.

10 (4) Notwithstanding ORS 181A.195 (5) and (6), the Department of State
 11 Police shall maintain in the department's files fingerprint cards submitted
 12 to it for purposes of conducting a state or nationwide criminal records check
 13 under ORS 181A.195 on applicants for a license as a general polygraph ex-
 14 aminer.

15 (5) When the Department of Public Safety Standards and Training refuses
 16 to issue a license based upon an applicant's failure to meet the requirements
 17 of subsection (1)(c) of this section, the department shall prepare a concise,
 18 specific written statement of the facts supporting the department's conclu-
 19 sion that there is a high degree of probability that the applicant will be
 20 unlikely to perform required duties in a manner that would serve the inter-
 21 ests of the public. A copy of the statement must be given to the applicant.

22 **SECTION 30.** ORS 807.066 is amended to read:

23 807.066. (1) Subject to subsection (2) of this section, the Department of
 24 Transportation may not issue driving privileges to a person who is under 18
 25 years of age unless:

26 (a) The person has graduated from high school and provides the depart-
 27 ment with proof of graduation satisfactory to the department;

28 (b) The person has received a **certificate for passing an approved high**
 29 **school equivalency test, such as the** General Educational Development
 30 (GED) [*certificate*] **test**, from a community college and provides the depart-
 31 ment with proof of the certificate satisfactory to the department; or

1 (c) The person's parent or legal guardian certifies that the person is:

2 (A) Enrolled in a school of this state, or any other state or any other
3 country;

4 (B) Enrolled in a community college and making satisfactory progress
5 toward a **certificate for passing an approved high school equivalency**
6 **test, such as the** General Educational Development (GED) [*certificate*] **test,**
7 or a high school diploma;

8 (C) Being taught by a private teacher, legal guardian or parent in com-
9 pliance with ORS 339.035;

10 (D) Exempted from school attendance requirements due to circumstances
11 beyond the control of the person; or

12 (E) Exempt under ORS 339.030 (2) from the requirement to attend school.

13 (2) The department may not issue driving privileges to a person who is
14 under 18 years of age and whose driving privileges are suspended under ORS
15 809.423 (3) for withdrawing from school unless the person:

16 (a) Has graduated from high school and provides the department with
17 proof of graduation satisfactory to the department;

18 (b) Has received a **certificate for passing an approved high school**
19 **equivalency test, such as the** General Educational Development (GED)
20 [*certificate*] **test,** from a community college and provides the department with
21 proof of the certificate satisfactory to the department;

22 (c) Provides the department with a form provided by the department and
23 signed by the principal, or the designee of the principal, of the school at-
24 tended by the person that declares that the person is enrolled in a school
25 of this state, or any other state or any other country;

26 (d) Provides the department with a form provided by the department and
27 signed by the authorized representative of the community college attended
28 by the person that declares that the person is making satisfactory progress
29 toward a **certificate for passing an approved high school equivalency**
30 **test such as the** General Educational Development (GED) [*certificate*] **test;**

31 (e) Provides the department with a form provided by the department and

1 signed by the authorized representative of the community college attended
2 by the person that declares that the person is making satisfactory progress
3 toward a high school diploma;

4 (f) Provides the department with a form provided by the department and
5 signed by the authorized representative of the education service district or
6 school district having jurisdiction over the area of the person's residence
7 that declares that the person is being taught by a private teacher, legal
8 guardian or parent in compliance with ORS 339.035;

9 (g) Provides the department with documentation satisfactory to the de-
10 partment that indicates that the person is exempted from school attendance
11 requirements due to circumstances beyond the control of the person; or

12 (h) Provides the department with documentation satisfactory to the de-
13 partment that the person is exempt under ORS 339.030 (2) from the require-
14 ment to attend school.

15 **SECTION 31.** ORS 809.380 is amended to read:

16 809.380. All of the following apply to a person whose driving privileges
17 have been suspended:

18 (1) The period of suspension shall last as long as provided for that par-
19 ticular suspension by law.

20 (2) During the period of suspension, the person is not entitled to exercise
21 any driving privileges in this state except as provided under this subsection.
22 Unless otherwise specifically provided by law, a person whose driving privi-
23 leges are suspended may obtain, if the person qualifies, a hardship driver
24 permit under ORS 807.240, and exercise driving privileges under the driver
25 permit.

26 (3) Upon expiration of the suspension, the Department of Transportation
27 shall reissue, upon request of the person, the suspended driving privileges
28 and any license or driver permit that evidences the driving privileges. The
29 reissuance shall be without requalification by the person except that the
30 department may require the person to furnish evidence satisfactory to the
31 department that the person is qualified to continue to exercise driving priv-

1 illeges in this state before the department reissues the driving privileges.

2 (4) The department may not issue any driving privileges in contradiction
3 to this section.

4 (5) If the person fails to surrender to the department any license or driver
5 permit issued as evidence of driving privileges that are suspended, the person
6 is subject to the penalties under ORS 809.500.

7 (6) No reinstatement of suspended driving privileges will be made by the
8 department until the fee for reinstatement of suspended driving privileges
9 established under ORS 807.370 is paid to or waived by the department. The
10 department may waive the reinstatement fee for any of the following reasons:

11 (a) The suspension occurred under ORS 809.419 for failure to take an ex-
12 amination upon request of the department under ORS 807.340.

13 (b) The suspension occurred under ORS 809.419 for failure to obtain re-
14 quired medical clearance upon request of the department under ORS 807.070
15 or 807.090.

16 (c) The suspension occurred under ORS 809.419 for incompetence to drive
17 a motor vehicle or having a mental or physical condition or impairment that
18 affects the person's ability to safely operate a motor vehicle.

19 (d) The suspension occurred under ORS 809.419 upon notification by the
20 superintendent of a hospital under ORS 807.700 that a person should not
21 drive.

22 (e) The suspension occurred under ORS 809.419 upon notification by a
23 court under ORS 810.375 that a person charged with a traffic offense has
24 been found guilty except for insanity.

25 (f) The department committed an error in issuing the suspension.

26 (g) The suspension was the result of an error committed by an insurance
27 company in issuing or failing to issue a certification of insurance or in
28 canceling a certification of insurance filed with the department under ORS
29 806.270.

30 (h) The department issued the suspension without error because the per-
31 son failed to respond as required under ORS 806.160 or to furnish proof of

1 exemption under ORS 806.210 from the filing requirement of ORS 806.200, but
2 the department later determines that the person in fact was in compliance
3 with financial responsibility requirements as of the date of the department's
4 letter of verification under ORS 806.150 or at the time of an accident de-
5 scribed in ORS 806.200.

6 (i) The department issued the suspension without error because the person
7 was not in compliance with financial responsibility requirements as of the
8 date of the department's letter of verification under ORS 806.150 or at the
9 time of an accident described in ORS 806.200, but the department later de-
10 termines that the person reasonably and in good faith believed that the per-
11 son was in compliance with financial responsibility requirements on the date
12 of the department's letter of verification or at the time of the accident.

13 (j) The suspension was the result of an error committed by an insurance
14 company in notifying the department regarding the correctness of a certi-
15 fication under ORS 806.150.

16 (k) The suspension occurred because the person failed to make future re-
17 sponsibility filings but the department later determines that the reason for
18 the failure was that the person was a military reservist or a member of a
19 national guard unit that was ordered to active military duty to a location
20 outside of the United States. The effective date of the military orders must
21 be prior to the effective date of a suspension issued by the department for
22 failure to make a future responsibility filing.

23 (L) The department issued the suspension without error because the de-
24 partment received a notice to suspend from a court under ORS 809.210 or
25 809.220, but the department later determines that the person in fact was in
26 compliance with the requirements of the court prior to the effective date of
27 the suspension.

28 (7) The department shall waive the reinstatement fee for a person whose
29 driving privileges were suspended under ORS 809.423 (3) if the person:

30 (a) Has graduated from high school and provides the department with
31 proof of graduation satisfactory to the department; or

1 (b) Has received a **certificate for passing an approved high school**
2 **equivalency test such as the** General Educational Development (GED)
3 [*certificate*] **test** from a community college and provides the department with
4 proof of the certificate satisfactory to the department.

5 **SECTION 32.** Section 2, chapter 109, Oregon Laws 2016, is amended to
6 read:

7 **Sec. 2.** (1) As used in this section, “post-graduate scholar” means a stu-
8 dent who:

9 (a) Has been in grades 9 through 12 for more than a total of four school
10 years; and

11 (b) Has satisfied the requirements for a high school diploma as provided
12 in ORS 329.451 (2).

13 (2) A school district may establish a program under this section to allow:

14 (a) A post-graduate scholar who satisfies the requirements of subsection
15 (3) of this section to:

16 (A) Enroll in courses at a community college that are part of a course
17 of study approved by the school district and that may lead to a certificate
18 or diploma;

19 (B) Enroll in the courses described in subparagraph (A) of this paragraph
20 for one school year after the post-graduate scholar has satisfied the re-
21 quirements for a high school diploma as provided in ORS 329.451 (2); and

22 (C) Have the school district pay the costs incurred for the courses de-
23 scribed in subparagraph (A) of this paragraph, including tuition, fees and
24 books.

25 (b) A school district that satisfies the requirements of subsection (4) of
26 this section to receive and expend moneys distributed from the State School
27 Fund under ORS 327.013 for the purpose of paying the costs described in
28 paragraph (a)(C) of this subsection.

29 (3) A post-graduate scholar qualifies to participate in a program estab-
30 lished under this section if the post-graduate scholar:

31 (a) Has completed and submitted the Free Application for Federal Student

1 Aid, if eligible to file the application;

2 (b) Is not eligible for a grant under the Oregon Promise program de-
3 scribed in ORS 341.522 because of failure to earn the minimum cumulative
4 grade point average, or submitted a complete application for a grant under
5 the Oregon Promise program by the established deadline but did not receive
6 a grant;

7 (c) Is not eligible for a federal aid grant that is equal to or more than the
8 average cost of tuition and fees at a community college, as determined by the
9 Department of Education after consultation with the [*Executive*] Director of
10 the Office of Student Access and Completion; and

11 (d) Retains a legal residence within the boundaries of the school district
12 through which the post-graduate scholar satisfied the requirements for a
13 high school diploma.

14 (4) A school district may receive and expend moneys distributed from the
15 State School Fund under ORS 327.013 for a program established under this
16 section if the school district meets all of the following criteria:

17 (a) Has a policy for the program that is adopted by the school district
18 board and that describes:

19 (A) The goals of the program, including target high school graduation
20 rates for underserved students;

21 (B) Minimum requirements for grade point average, attendance and par-
22 ticipation in regular in-person meetings with school district staff to monitor
23 student progress;

24 (C) The manner by which the results of the program will be measured and
25 monitored; and

26 (D) The courses of study that are approved by the school district for the
27 purpose of this section.

28 (b) Enters into a written agreement with the community college that has
29 a service area within which the school district is located.

30 (c) Has dedicated staff to provide support services to post-graduate
31 scholars, including regular in-person meetings to monitor student progress

1 that occur at least twice each month.

2 (d) Ensures that a majority of students from the school district who are
3 enrolled in courses at a community college meet at least one of the criteria
4 identified in this paragraph. The student:

5 (A) Is not a post-graduate scholar;

6 (B) Has received a modified diploma, an extended diploma or a **certificate**
7 **for passing an approved high school equivalency test such as the** Gen-
8 eral Educational Development (GED) [*certificate*] **test**;

9 (C) Was enrolled in an alternative high school program within the pre-
10 ceding 12 months;

11 (D) Is, or will be, a first-generation graduate of high school;

12 (E) Is, or has been, a child in a foster home;

13 (F) Is, or has been, placed in a facility or an education program by a
14 court;

15 (G) Is homeless;

16 (H) Is a parent; or

17 (I) Was identified as eligible for free or reduced price lunches within the
18 preceding 12 months.

19 (5) Notwithstanding ORS 327.013, the weighted average daily membership
20 assigned for each post-graduate scholar shall be adjusted as follows:

21 (a) By subtracting 0.25 from the average daily membership assigned for
22 each post-graduate scholar participating in the program established under
23 this section; and

24 (b) Without adding any amounts identified in ORS 327.013 (1)(c)(A).

25 (6) For purposes of this section, a school district may not counsel or as-
26 sist a student to delay receiving a high school diploma for the purpose of
27 participating in a school-sponsored, post-secondary education program.

28 (7) Nothing in this section:

29 (a) Prohibits a school district from receiving or expending moneys related
30 to the education of post-graduate scholars that are not received or expended
31 for purposes of this section, as long as the school district does not receive

1 or expend State School Fund distributions under ORS 327.013 for those pur-
2 poses.

3 (b) Requires a post-graduate scholar to accept or use any federal grant
4 moneys to offset costs of tuition, fees or books incurred by a post-graduate
5 scholar at a community college.

6 (c) Requires a school district to add or extend existing bus routes or other
7 transportation services for post-graduate scholars. Any transportation costs
8 incurred by a school district to add or extend existing bus routes or other
9 transportation services are not considered approved transportation costs for
10 the purposes of ORS 327.013. Nothing in this paragraph prohibits post-
11 graduate scholars from using existing bus routes or transportation services
12 provided by the school district.

13 (8) Notwithstanding subsection (3) of this section, a post-graduate scholar
14 may not accept or use any federal grant moneys to offset costs of tuition,
15 fees or books incurred by a post-graduate scholar at a community college.

16 (9) A school district may receive or expend moneys distributed from the
17 State School Fund under ORS 327.013 for post-graduate scholars who enroll
18 in courses at a community college only if the post-graduate scholars are en-
19 rolled in the courses as part of a program established under this section.

20

21 **NAME CHANGE: EXECUTIVE DIRECTOR OF THE OFFICE**
22 **OF STUDENT ACCESS AND COMPLETION TO**
23 **DIRECTOR OF THE OFFICE OF**
24 **STUDENT ACCESS AND COMPLETION**

25

26 **SECTION 33.** ORS 348.250 is amended to read:

27 348.250. (1) Grants established under ORS 348.260 shall be awarded by the
28 Higher Education Coordinating Commission in the manner provided in this
29 section.

30 (2) Persons interested in obtaining a grant established under ORS 348.260
31 may apply to the [*Executive*] Director of the Office of Student Access and

1 Completion for a grant.

2 (3) The [*executive*] director shall screen or cause to be screened the ap-
3 plications and shall determine for each available grant the person best
4 qualified to receive that grant. A qualified applicant is eligible to receive a
5 grant established under ORS 348.260 if:

6 (a) The applicant's financial need is such that in the opinion of the
7 [*executive*] director financial aid is warranted; and

8 (b) The applicant plans to be a student at the eligible post-secondary in-
9 stitution where the grant is to be used.

10 (4) The [*executive*] director shall not discriminate for or against any ap-
11 plicant for a grant.

12 (5) Nothing in this section or ORS 348.260, 348.505 to 348.615, 348.696 or
13 348.992 shall be construed to require any institution to admit a grant recip-
14 ient or to attempt to control or influence the policies of the institution.

15 (6) Whenever funds are not available to award grants to all qualified
16 students, the [*executive*] director may give priority to applicants who are or
17 plan to be full-time students at the eligible post-secondary institution where
18 the grant is to be used. A student shall be considered to be a full-time stu-
19 dent if the combination of credit hours at more than one eligible post-
20 secondary institution equals full-time attendance, according to the
21 institution disbursing the grant funds.

22 (7) As used in this section, "discriminate" has the meaning given "dis-
23 crimination" in ORS 659.850.

24 **SECTION 34.** ORS 348.260 is amended to read:

25 348.260. (1) In addition to any other form of student financial aid au-
26 thorized by law, the Higher Education Coordinating Commission may award
27 Oregon Opportunity Grants to qualified students.

28 (2) The amount of a grant shall equal the state share of a qualified
29 student's cost of education as determined by the [*Executive*] Director of the
30 Office of Student Access and Completion and comply with applicable rules
31 and procedures described in ORS 348.205.

1 (3) Grant funds necessary to meet matching requirements for federal funds
2 may also be used to award grants to qualified students in any eligible post-
3 secondary institution approved by the commission.

4 (4) Grants may be awarded under this section to qualified students en-
5 rolled for any term, including summer term. The commission may prescribe
6 the method and date or dates by which a student must apply to the com-
7 mission to qualify for a grant.

8 (5)(a) A qualified student who receives a grant under this section may
9 apply for renewal of the grant on an annual basis. The commission may not
10 renew the grant if the qualified student has not made a timely application
11 for renewal of the grant.

12 (b) The commission shall by rule establish academic standards and
13 benchmarks that a qualified student must meet to have the student's grant
14 renewed.

15 (c) If a qualified student who receives a grant under this section makes
16 a timely application for renewal of the grant, meets the academic standards
17 and benchmarks established by the commission under this subsection and
18 continues to meet all other grant eligibility criteria, the grant shall be re-
19 newed for a second year of attendance at an eligible post-secondary institu-
20 tion.

21 (d) Upon timely application by a qualified student who meets the aca-
22 demic standards and benchmarks established by the commission under this
23 subsection and who continues to meet all other grant eligibility criteria, the
24 commission may continue to renew the grant until the qualified student has
25 received the equivalent of four full-time undergraduate years of grant fund-
26 ing for an eligible program as defined by the commission.

27 (6)(a) The [*Executive*] Director of the Office of Student Access and Com-
28 pletion shall inform eligible post-secondary institutions of the identity of
29 qualified students who attend the institution and who receive a grant under
30 this section for more than one academic year.

31 (b) To the extent possible, eligible post-secondary institutions shall ensure

1 that qualified students identified under this subsection are made aware of the
2 academic guidance and counseling services available at the institution.

3 (7) A qualified student who receives a grant under this section must at-
4 tend the eligible post-secondary institution upon which the grant application
5 is based unless the [*Executive*] Director of the Office of Student Access and
6 Completion authorizes the grant to be used at a different eligible post-
7 secondary institution. A qualified student who receives a grant under this
8 section may attend more than one eligible post-secondary institution if the
9 grant application was based on the qualified student attending more than one
10 eligible post-secondary institution.

11 (8) The commission may not make a grant award to any qualified student
12 enrolled in a course of study required for and leading to a degree in theol-
13 ogy, divinity or religious education.

14 (9)(a) The commission shall report annually on or before February 1 to
15 committees of the Legislative Assembly related to higher education regarding
16 the academic success and performance of qualified students who receive
17 grants under this section.

18 (b) In order to meet the reporting requirements set forth in paragraph (a)
19 of this subsection:

20 (A) The commission shall by rule design a method for evaluating the ac-
21 ademic success and performance of students who receive a grant under this
22 section; and

23 (B) Upon a request from the commission, eligible post-secondary insti-
24 tutions must provide the commission with the data necessary for the com-
25 mission to conduct its analysis.

26 **SECTION 35.** ORS 348.263 is amended to read:

27 348.263. (1) In addition to any other form of student financial aid au-
28 thorized by law, the Higher Education Coordinating Commission may award
29 moneys from the Oregon Opportunity Grant program to qualified students
30 to reward student persistence and encourage completion of degree programs
31 at eligible post-secondary institutions.

1 (2) Awards made under this section are not subject to the maximum
2 Oregon Opportunity Grant amount established under ORS 348.205.

3 (3) The commission shall establish by rule eligibility criteria for awards
4 made under this section. These criteria shall include, but not be limited to,
5 whether the qualified student is attending an eligible post-secondary insti-
6 tution on a full-time or half-time basis.

7 (4)(a) The [*Executive*] Director of the Office of Student Access and Com-
8 pletion shall administer, and determine the size of, awards made under this
9 section.

10 (b) In determining the size of awards made under this section, the [*exec-*
11 *utive*] director shall consider basing the size of the awards on a percentage
12 of the maximum Oregon Opportunity Grant amount established under ORS
13 348.205.

14 **SECTION 36.** ORS 348.270 is amended to read:

15 348.270. (1) In addition to any other scholarships provided by law, the
16 Higher Education Coordinating Commission shall award scholarships to any
17 individual applying for enrollment or enrolled in an institution of higher
18 education who is the natural child, adopted child or stepchild of any public
19 safety officer, reserve officer or volunteer firefighter who, in the line of duty,
20 was killed or so disabled, as determined by the [*Executive*] Director of the
21 Office of Student Access and Completion, that:

22 (a) The income of the public safety officer is less than that earned by
23 public safety officers performing duties comparable to those performed at the
24 highest rank or grade attained by the public safety officer; or

25 (b) The income of the reserve officer or volunteer firefighter working in
26 their primary profession or type of employment is less than that earned by
27 individuals in the same profession or type of employment with similar levels
28 of education and experience.

29 (2) Except as provided in this subsection, scholarships awarded under this
30 section shall be in an amount equal to the amount of tuition and all fees
31 levied by the institution of higher education against the recipient of the

1 scholarship. Scholarships awarded to students who attend independent insti-
2 tutions may not exceed the amount of tuition and all fees levied by the
3 University of Oregon.

4 (3) If a student who is the dependent of a deceased public safety officer,
5 reserve officer or volunteer firefighter continues to remain enrolled in a
6 public university listed in ORS 352.002, a community college or an Oregon-
7 based, regionally accredited independent institution, the student is entitled
8 to renewal of the scholarship until the student has received the equivalent
9 of four years of undergraduate education and four years of post-graduate
10 education.

11 (4) If a student who is the dependent of a public safety officer, reserve
12 officer or volunteer firefighter with a disability continues to remain enrolled
13 in a public university listed in ORS 352.002, a community college or an
14 Oregon-based, regionally accredited independent institution, the student is
15 entitled to renewal of the scholarship until the student has received the
16 equivalent of four years of undergraduate education.

17 (5) The [*Executive*] Director of the Office of Student Access and Com-
18 pletion may require proof of a student's relationship to a public safety offi-
19 cer, reserve officer or volunteer firefighter described in subsection (1) of this
20 section.

21 (6) As used in this section:

22 (a) "Institution of higher education" means a public university listed in
23 ORS 352.002, the Oregon Health and Science University, a community college
24 operated under ORS chapter 341 or an Oregon-based, regionally accredited
25 independent institution.

26 (b) "Public safety officer" means:

27 (A) A firefighter or police officer as those terms are defined in ORS
28 237.610.

29 (B) A member of the Oregon State Police.

30 (C) A police officer commissioned by a university under ORS 352.121 or
31 353.125.

1 (D) An authorized tribal police officer as defined in ORS 181A.680.

2 (c) "Reserve officer" has the meaning given that term in ORS 133.005.

3 (d) "Volunteer firefighter" has the meaning given that term in ORS
4 652.050.

5 **SECTION 37.** ORS 348.272 is amended to read:

6 348.272. (1) As used in this section:

7 (a) "Former foster child" has the meaning given that term in ORS 350.300.

8 (b) "Institution of higher education" means a public university listed in
9 ORS 352.002, the Oregon Health and Science University, a community college
10 operated under ORS chapter 341 or an Oregon-based, regionally accredited
11 independent institution.

12 (2) In addition to any other scholarships provided by law, the Higher
13 Education Coordinating Commission shall award scholarships to any indi-
14 vidual applying for enrollment or enrolled in an institution of higher edu-
15 cation who is a current foster child or former foster child.

16 (3) Scholarships awarded under this section shall be in an amount to be
17 determined by the commission based on the funds that are made available for
18 the awarding year.

19 (4) If a student who is a current foster child or former foster child con-
20 tinues to remain enrolled in a public university listed in ORS 352.002, a
21 community college or an Oregon-based, regionally accredited independent
22 institution, the student is entitled to apply for renewal of the scholarship
23 until the student has received the equivalent of four years of undergraduate
24 education.

25 (5) The [*Executive*] Director of the Office of Student Access and Com-
26 pletion may require proof that a student is a current foster child or former
27 foster child.

28 **SECTION 38.** ORS 348.310 is amended to read:

29 348.310. (1) The Higher Education Coordinating Commission is authorized
30 to make loans to all qualified applicants, from the fund created in ORS
31 348.390 (1), to assist in financing the cost of a program of study leading to

1 the degree of Doctor of Medicine or to the degree of Doctor of Osteopathic
2 Medicine.

3 (2) The [*Executive*] Director of the Office of Student Access and Com-
4 pletion shall:

5 (a) Develop criteria for the preparation of applications and procedures for
6 the submission, evaluation, priority selection and award of loans provided for
7 in ORS 348.310 to 348.390; and

8 (b) Determine the number and amount of loans and loan renewals.

9 (3) The Higher Education Coordinating Commission shall adopt such
10 rules as may be necessary to implement ORS 348.310 to 348.390.

11 **SECTION 39.** ORS 348.320 is amended to read:

12 348.320. (1) A person shall be eligible for a loan under ORS 348.310 to
13 348.390 if the person is:

14 (a) A bona fide resident of this state or is exempted from paying nonres-
15 ident tuition under ORS 352.287;

16 (b) Accepted for enrollment, or is a student in good standing in the pro-
17 fessional medical program at an accredited medical school located in the
18 United States or in an accredited school of osteopathic medicine;

19 (c) As a result of personal financial resources, unable to pursue a program
20 of study in the absence of a loan or would be unable to do so without great
21 hardship; and

22 (d) Desirous of practicing medicine in a rural community in this state,
23 and in an area which meets the qualifications of a medical shortage area.

24 (2) The person desiring consideration for a loan under ORS 348.310 to
25 348.390 shall apply to the [*Executive*] Director of the Office of Student Access
26 and Completion.

27 (3) The person desiring consideration for a loan under ORS 348.310 to
28 348.390 shall agree in writing to practice medicine in a medical shortage area
29 as defined by the Oregon Health Authority, for a period equal to the period
30 covered by the loan, but no less than two years.

31 **SECTION 40.** ORS 348.340 is amended to read:

1 348.340. (1) The [*Executive*] Director of the Office of Student Access and
2 Completion may establish and administer cost-sharing loan fund programs
3 which provide for assistance, in conjunction with community agencies or
4 organizations, selected and approved by the Higher Education Coordinating
5 Commission in a rural community in the state having a population of fewer
6 than 7,500 persons. Participation in a program established under this sub-
7 section shall be on a matching funds basis between the Rural Medical Edu-
8 cation Loan Fund and the approved community agency and shall fund the
9 educational costs, fees and charges of a specific, eligible student, who shall
10 be approved by the participating community and the commission.

11 (2) Funds provided from the Rural Medical Education Loan Fund under
12 subsection (1) of this section shall not exceed 75 percent of the total amount
13 calculated to be necessary to fund one person for one year, in an approved
14 school as determined by the commission.

15 (3) The eligibility requirements for persons participating in a program
16 established in subsection (1) of this section shall be the same as the re-
17 quirements for eligibility in the loan program under ORS 348.320.

18 (4) Upon completion of the program of study and training for licensure,
19 the person receiving funds under this section shall not be required to repay
20 such funds if the person practices medicine in the community providing the
21 matching funds. The person shall practice medicine one year for each year
22 that funds were provided, but in no event shall the person practice less than
23 two years.

24 **SECTION 41.** ORS 348.350 is amended to read:

25 348.350. (1) The [*Executive*] Director of the Office of Student Access and
26 Completion is authorized to establish and administer a cost-sharing program
27 to train intern and residency physicians as may be arranged by contract with
28 an accredited training hospital within this state. The cost sharing shall be
29 limited to general practice internships and family practice residencies. The
30 commission may pay up to \$18,000 to an institution for each intern or resi-
31 dent position which is reserved for training students who are planning to

1 enter medical practice in rural areas.

2 (2) Funds for programs established under subsection (1) of this section
3 shall be paid from the Rural Medical Education Loan Fund.

4 (3) No money appropriated under this section shall be used for any pro-
5 gram at the Oregon Health and Science University. The center shall be re-
6 quired to give priority admissions to recipients under ORS 348.310 to 348.390
7 in its family practice residency programs.

8 **SECTION 42.** ORS 348.360 is amended to read:

9 348.360. Each loan granted under ORS 348.330 and 348.340 is renewable
10 annually. The [*Executive*] Director of the Office of Student Access and Com-
11 pletion shall renew the loans upon application by the recipient when the
12 [*executive*] director finds that the applicant has successfully completed the
13 required work for the preceding academic year and is a student in good
14 standing, is a resident of this state and is in a financial condition that
15 warrants the continuation of the aid.

16 **SECTION 43.** ORS 348.370 is amended to read:

17 348.370. (1) A person receiving funds under ORS 348.310 to 348.390 shall
18 not be required to repay the funds if the person practices medicine in a rural
19 community in this state having a population of fewer than 7,500 persons and
20 which meets the qualifications of a medical shortage area.

21 (2) The fund recipient shall practice medicine in the area designated un-
22 der subsection (1) of this section at the rate of one year for each year the
23 funds were provided to that recipient, but in no event shall any recipient
24 practice medicine in an area less than two years.

25 (3) Any person receiving funds under ORS 348.310 to 348.390 who fails to
26 complete the course of study, shall be required to repay the amount received
27 to the Rural Medical Education Loan Fund. Ten percent interest shall be
28 charged on the unpaid balance, accrued from the date the loan was granted.

29 (4) Any person receiving funds under ORS 348.310 to 348.390 who com-
30 pletes the course of study and requirements for licensure but fails to fulfill
31 the obligations required by the loan, shall repay the amount received to the

1 Rural Medical Education Loan Fund. Ten percent interest shall be charged
2 on the unpaid balance, accrued from the date the loan was granted. Addi-
3 tionally, a penalty fee, equal to 25 percent of the total amount of funds re-
4 ceived shall be assessed against the person. No interest shall accrue on the
5 penalty.

6 (5) Any funds received by the Rural Medical Education Loan Fund under
7 subsections (3) to (6) of this section shall be used by the [*Executive*] Director
8 of the Office of Student Access and Completion for the purpose of carrying
9 out the provisions of ORS 348.310 to 348.390.

10 (6) The [*executive*] director may waive any interest or penalty assessed
11 under subsections (3) to (6) of this section in case of undue hardship.

12 **SECTION 44.** ORS 348.390 is amended to read:

13 348.390. (1) There is established in the State Treasury a fund, separate and
14 distinct from the General Fund, to be known as the Rural Medical Education
15 Loan Fund, which may be invested in the same manner as the Oregon Stu-
16 dent Assistance Fund. This fund may receive funds from state and private
17 sources for the purpose of making loans to student residents of this state
18 who are determined to be eligible to receive funds under ORS 348.310 to
19 348.390. Interest earned by the fund shall be credited to the fund.

20 (2) All funds for and relating to loans received by the [*Executive*] Director
21 of the Office of Student Access and Completion, including repayments, in-
22 terest and penalties, for the Rural Medical Education Loan Fund, except
23 moneys appropriated from the State Treasury for a specified period of time,
24 are continuously appropriated to the Rural Medical Education Loan Fund
25 for the purposes for which the fund was created.

26 **SECTION 45.** ORS 348.448 is amended to read:

27 348.448. (1) To be eligible to participate in the Nursing Faculty Loan Re-
28 payment Program, a nurse educator or prospective nurse educator shall
29 submit a letter of interest to the [*Executive*] Director of the Office of Student
30 Access and Completion.

31 (2) At the end of each school year in which a nurse practices as a nurse

1 educator in Oregon, the [executive] director shall pay an amount not to ex-
2 ceed the lesser of 20 percent of the total of the nurse's outstanding qualifying
3 loans or \$10,000 as adjusted under subsection (4) of this section.

4 (3) The [executive] director may make the annual payments under this
5 section for up to:

6 (a) Three years for a nurse educator who has earned a master's degree;
7 or

8 (b) Five years for a nurse educator who has earned a doctoral degree.

9 (4)(a) The [executive] director shall adjust annually the maximum dollar
10 amount allowed under subsection (2) of this section by multiplying that
11 amount by a cost-of-living adjustment as specified in this subsection.

12 (b) The cost-of-living adjustment applied to the maximum dollar amount
13 allowed under subsection (2) of this section shall be equal to the ratio of the
14 seasonally adjusted United States City Average Consumer Price Index for
15 All Urban Consumers as published by the Bureau of Labor Statistics of the
16 United States Department of Labor for April of that calendar year divided
17 by the value of the same index for April 2009.

18 (c) If the value of the dollar amount determined under paragraph (a) of
19 this subsection is not a multiple of \$100, the [executive] director shall round
20 the dollar amount to the next lower multiple of \$100.

21 **SECTION 46.** ORS 348.511, as amended by section 1, chapter 30, Oregon
22 Laws 2016, is amended to read:

23 348.511. (1) The Office of Student Access and Completion is established
24 and shall operate under the direction and control of the Higher Education
25 Coordinating Commission.

26 (2) The executive director of the Higher Education Coordinating Com-
27 mission shall appoint the [Executive] Director of the Office of Student Access
28 and Completion.

29 (3) The [Executive] Director of the Office of Student Access and Com-
30 pletion shall:

31 (a) Be responsible for the performance of the duties, functions and powers

1 of the Office of Student Access and Completion;

2 (b) Be paid a salary as provided by law or, if not so provided, as pre-
3 scribed by the commission; and

4 (c) Subject to any applicable provisions of ORS chapter 240, appoint all
5 subordinate officers and employees of the office, prescribe their duties and
6 fix their compensation.

7 **SECTION 47.** ORS 348.520 is amended to read:

8 348.520. The [*Executive*] Director of the Office of Student Access and
9 Completion shall:

10 (1) Make available to qualified persons financial aid from financial
11 sources available to the [*executive*] director.

12 (2) Determine qualifications of persons to receive financial aid.

13 (3) Maintain reports and records on persons applying for and receiving
14 financial aid from the [*executive*] director.

15 (4) Withhold any financial aid if the recipient thereof fails to maintain
16 the standards established for receipt of that aid.

17 (5) Recommend to the Legislative Assembly not less than once every
18 biennium matters relating to the establishment, administration, modification,
19 transfer, reduction or cancellation of financial aid.

20 (6) Prior to implementing changes to the Oregon Opportunity Grant pro-
21 gram, report to the Higher Education Coordinating Commission and the
22 Legislative Assembly or the Emergency Board any proposed change:

23 (a) That increases or decreases the total amount awarded as Oregon Op-
24 portunity Grants that was approved as part of the budget enacted by the
25 Legislative Assembly for the Higher Education Coordinating Commission;
26 and

27 (b) To the methodology used to determine the student share, family share
28 or state share under ORS 348.205.

29 (7) Encourage the establishment of financial aid programs by private
30 agencies.

31 (8) Collect and disseminate information pertaining to all types of avail-

1 able financial aid.

2 (9) Review the administrative practices and evaluate the effectiveness of
3 all public and private post-secondary financial aid programs in Oregon.

4 (10) Disburse state appropriations for financial aid in such a manner as
5 to maximize its role in cooperative coordination of financial aid programs.

6 **SECTION 48.** ORS 348.563 is amended to read:

7 348.563. For the purpose of requesting a state or nationwide criminal re-
8 cords check under ORS 181A.195, the Higher Education Coordinating Com-
9 mission may require the fingerprints of a person who:

10 (1)(a) Is employed or applying for employment by the [*Executive*] Director
11 of the Office of Student Access and Completion; or

12 (b) Provides services or seeks to provide services to the [*executive*] direc-
13 tor as a contractor or volunteer; and

14 (2) Is, or will be, working or providing services in a position:

15 (a) In which the person has direct access to facilities where students re-
16 side or to persons under 18 years of age, elderly persons or persons with
17 disabilities;

18 (b) In which the person is providing information technology services and
19 has control over, or access to, information technology systems that would
20 allow the person to harm the information technology systems or the infor-
21 mation contained in the systems;

22 (c) In which the person has access to information, the disclosure of which
23 is prohibited by state or federal laws, rules or regulations or information
24 that is defined as confidential under state or federal laws, rules or regu-
25 lations; or

26 (d) That has payroll functions or in which the person has responsibility
27 for receiving, receipting or depositing money or negotiable instruments, for
28 billing, collections or other financial transactions or for purchasing or sell-
29 ing property or has access to property held in trust or to private property
30 in the temporary custody of the state.

31 **SECTION 49.** ORS 348.570 is amended to read:

1 348.570. (1)(a) There is established in the State Treasury a fund, separate
2 and distinct from the General Fund, to be known as the Oregon Student
3 Assistance Fund. Interest earned by the fund shall be credited to the fund.

4 (b) The fund shall consist of moneys appropriated to the Higher Education
5 Coordinating Commission for deposit into the fund, collections and penalties
6 received by the [*Executive*] Director of the Office of Student Access and
7 Completion under ORS 442.545 and any donations or grants received by the
8 commission for a purpose of the fund.

9 (c) Moneys in the fund are continuously appropriated to the commission
10 for:

11 (A) Investments as provided by ORS 293.701 to 293.857;

12 (B) The payment of expenses of the commission in carrying out the pur-
13 poses of ORS 348.250, 348.285, 348.505 to 348.615, 348.625 to 348.695, 348.696
14 and 348.992;

15 (C) The payment of expenses of the Nursing Services Program created in
16 ORS 442.540; and

17 (D) The purpose of carrying out the provisions of ORS 348.272.

18 (d) The commission shall use moneys in the fund for those purposes for
19 which the moneys were provided to or received or collected by the commis-
20 sion.

21 (2) There is established in the State Treasury a fund, separate and distinct
22 from the General Fund, to be known as the ASPIRE Program Fund. Moneys
23 received from donations and grants shall be credited to the ASPIRE Program
24 Fund. Moneys in the fund are continuously appropriated to the commission
25 for the purposes of investment, as provided by ORS 293.701 to 293.857, and
26 for carrying out the provisions of ORS 348.500. Interest earned by the fund
27 shall be credited to the fund.

28 (3)(a) There is established in the State Treasury the Nursing Faculty
29 Loan Repayment Fund, separate and distinct from the General Fund. Interest
30 earned on the Nursing Faculty Loan Repayment Fund shall be credited to
31 the fund. Moneys in the fund are continuously appropriated to the commis-

1 sion for carrying out ORS 348.440 to 348.448. The Nursing Faculty Loan Re-
2 payment Fund consists of:

3 (A) Moneys appropriated to the commission for the Nursing Faculty Loan
4 Repayment Program created in ORS 348.444; and

5 (B) Grants, gifts or donations received by the commission for the program.

6 (b) Any unexpended funds in the fund at the end of a biennium shall be
7 retained in the fund and may be expended in subsequent biennia.

8 **SECTION 50.** ORS 348.592 is amended to read:

9 348.592. (1) The [*Executive*] Director of the Office of Student Access and
10 Completion may obtain loan cancellation insurance for any person holding
11 a loan under this section and ORS 348.505 to 348.530 and 348.570.

12 (2) The insurance shall insure the life of the student who borrows under
13 this section and ORS 348.505 to 348.530 and 348.570 for the amount of the
14 principal and interest due on the loan and the State of Oregon shall be
15 named as the beneficiary. If the borrower dies before repaying the loan, the
16 insurance shall be used to pay the balance of the loan and the [*executive*]
17 director shall issue a satisfaction of the obligation.

18 (3) The Oregon Department of Administrative Services shall procure bids
19 for the purchasing of insurance in compliance with the laws governing the
20 purchase and furnishing of services to state agencies.

21 **SECTION 51.** ORS 348.616 is amended to read:

22 348.616. (1) The Higher Education Coordinating Commission shall develop
23 and adopt rules that provide the minimum criteria that an employer must
24 meet in order for the employer's scholarship program for employees and de-
25 pendants to be certified as eligible for the employee and dependent scholar-
26 ship program tax credit provided under ORS 348.621. The commission shall
27 adopt rules to determine:

28 (a) The types of educational programs, institutions and expenses related
29 to the programs and institutions for which scholarships may be offered to
30 employees and dependents, and scholarship moneys expended on their behalf;

31 (b) The types of employees and dependents to whom scholarships must be

1 offered;

2 (c) The minimum and maximum annual dollar amounts of a scholarship
3 that would be a qualified scholarship under ORS 315.237;

4 (d) The minimum annual number of hours of instruction that a scholar-
5 ship beneficiary must commit to in order to be eligible for a scholarship; and

6 (e) Any other requirements as the commission may provide.

7 (2) An employer must employ at least four full-time equivalent employees
8 but no more than 250 employees in order to be certified as eligible for the
9 employee and dependent scholarship program tax credit under ORS 348.621.

10 (3) An employer seeking to claim the tax credit provided under ORS
11 315.237 must apply to the [*Executive*] Director of the Office of Student Access
12 and Completion for both employee and dependent scholarship program certi-
13 fication under ORS 348.618 and tax credit certification under ORS 348.621.

14 **SECTION 52.** ORS 348.618 is amended to read:

15 348.618. (1) An application for employee and dependent scholarship pro-
16 gram certification shall be filed by the employer establishing the program.
17 The application shall be filed with the [*Executive*] Director of the Office of
18 Student Access and Completion at least three months prior to the close of
19 the first tax year for which a tax credit under ORS 315.237 will be claimed.

20 (2) The application shall be filed on a form prescribed by the [*executive*]
21 director and shall contain the information required by the [*executive*] direc-
22 tor, including:

23 (a) The date on which the proposed employee and dependent scholarship
24 program will first be available to the employer's employees and their depen-
25 dents;

26 (b) The total number of employees of the employer;

27 (c) The total number of employees who will be eligible, or whose depen-
28 dents will be eligible, to participate in the program;

29 (d) The criteria to be used by the employer in determining the eligibility
30 of an employee or an employee's dependent for a scholarship under the pro-
31 gram; and

1 (e) The annual limit, if any, on the amount of funds to be used for
2 scholarships under the program.

3 (3) The [executive] director shall certify an application that describes an
4 employee and dependent scholarship program that is in compliance with the
5 rules adopted by the Higher Education Coordinating Commission under ORS
6 348.616 (1), if made by an employer that meets the employment requirements
7 of ORS 348.616 (1) and (2).

8 (4) The [executive] director shall certify or reject an application within
9 60 days of receipt of the application and shall notify the employer of the
10 [executive] director's determination.

11 (5) An employer whose application has been rejected by the [executive]
12 director shall be afforded an opportunity to amend the application to address
13 the [executive] director's objections to the original application.

14 (6) In the case of an employer whose proposed employee and dependent
15 scholarship program has been certified by the [executive] director, the [exec-
16 utive] director shall send a letter of program certification to the employer.
17 The letter of program certification shall set forth or incorporate by reference
18 the statements made in the application being certified.

19 (7) A letter of program certification issued under this section shall remain
20 valid until the employer changes the terms of eligibility for a scholarship
21 under the program, changes the minimum or maximum amount of a scholar-
22 ship under the program or ceases to be an employer.

23 **SECTION 53.** ORS 348.621 is amended to read:

24 348.621. (1) An application for tax credit certification shall be filed by an
25 employer that has obtained program certification under ORS 348.618 or that
26 has applied for program certification and is awaiting such certification by
27 the [Executive] Director of the Office of Student Access and Completion.

28 (2) The application for tax credit certification shall be filed by the em-
29 ployer with the [executive] director. The application shall be filed at the time
30 prescribed by the [executive] director, but no later than October 1 of the
31 calendar year in which begins the tax year for which a credit under ORS

1 315.237 will be claimed.

2 (3) The application shall be filed on a form prescribed by the [executive]
3 director and shall contain the information required by the [executive] direc-
4 tor, including the amount of scholarship moneys the employer has provided
5 or intends to provide to employees or dependents during the calendar year
6 for which tax credit certification is being sought and the number of em-
7 ployees employed by the employer for the calendar year.

8 (4) The [executive] director shall consider applications in the chronologi-
9 cal order in which the applications are received and shall approve applica-
10 tions to the extent the amount set forth in the application, when added to
11 the total amount already certified by the [executive] director for the calendar
12 year under this section, does not exceed \$1 million.

13 (5) An employer may not receive tax credit certification:

14 (a) For an amount that is greater than \$1 million;

15 (b) If the employer employs fewer than four full-time equivalent employees
16 for the calendar year; or

17 (c) If the employer employs more than 250 employees for the calendar
18 year.

19 (6) The [executive] director shall send written notice of the amount of the
20 tax credit certification, or written notice that no amount is being certified,
21 to the employer and to the Department of Revenue within 60 days of the date
22 an application is filed under this section.

23 (7) The employer shall keep the written certification in the employer's
24 records for at least five years and shall furnish the certification to the De-
25 partment of Revenue if requested.

26 **SECTION 54.** ORS 348.625 is amended to read:

27 348.625. As used in ORS 348.570 and 348.625 to 348.695:

28 (1) "Alternative student loan program" means a program established by
29 the Higher Education Coordinating Commission to fund loans to eligible
30 students, or to qualifying parents of eligible students, to help meet expenses
31 of eligible students of attending post-secondary educational institutions;

1 provided, however, that alternative student loan program loans may be made
2 only to students who have applied for student financial aid under Title IV,
3 Part B of the Higher Education Act of 1965, as amended, and have received
4 information on their eligibility for programs under that Act, or the parents
5 of students who have made such application and received such information.

6 (2) "Eligible student" means a student enrolled in an eligible post-
7 secondary educational institution located in Oregon or a student who is an
8 Oregon resident and who is enrolled in an eligible post-secondary educa-
9 tional institution located outside of Oregon. The [*Executive*] Director of the
10 Office of Student Access and Completion shall determine, among other
11 things, what constitutes enrollment and which post-secondary educational
12 institutions are eligible institutions under the alternative student loan pro-
13 gram.

14 (3) "Lender" means an insured institution as defined in ORS 706.008 that
15 is authorized to do business in Oregon and that has entered into an agree-
16 ment with the Higher Education Coordinating Commission to originate, ser-
17 vice and administer alternative student loans in the manner authorized by
18 ORS 348.570 and 348.625 to 348.695.

19 **SECTION 55.** ORS 348.630 is amended to read:

20 348.630. (1) Loans may be made under the alternative student loan pro-
21 gram to an eligible student or to a parent of an eligible student.

22 (2) Loans made under the alternative student loan program shall not ex-
23 ceed the eligible costs of education as determined by the [*Executive*] Director
24 of the Office of Student Access and Completion, minus other financial aid
25 received, or \$10,000, whichever is less, for any eligible student during a sin-
26 gle calendar year. Total loans made for any eligible student under the al-
27 ternative student loan program shall not exceed \$40,000.

28 (3) Under the alternative student loan program, borrowers shall undergo
29 a credit check by the lender or by the [*executive*] director and shall be
30 creditworthy or provide a creditworthy cosigner.

31 **SECTION 56.** ORS 348.635 is amended to read:

1 348.635. In consultation with private sector lenders, the [*Executive*] Di-
2 rector of the Office of Student Access and Completion shall establish the
3 terms and conditions, including but not limited to maturities and repayment
4 provisions, of student loans for which the [*executive*] director shall provide
5 funding. The [*executive*] director may also set standards of academic
6 achievement which borrowers must maintain to receive loans.

7 **SECTION 57.** ORS 348.640 is amended to read:

8 348.640. (1) The [*Executive*] Director of the Office of Student Access and
9 Completion shall provide funding to lenders pursuant to contracts which
10 shall provide, among other things, the terms and conditions under which
11 private sector lenders, using funding made available by the [*executive*] di-
12 rector, shall originate, service and administer loans pursuant to the alter-
13 native student loan program. Lenders shall receive and process loan
14 applications from borrowers, perform credit analysis, approve or deny loan
15 requests, and for loans that are approved, originate, document, administer
16 and service the loans. The [*executive*] director shall make provision for pay-
17 ment to lenders of the reasonable costs of origination, servicing and admin-
18 istration of loans. Payment may be made directly by borrowers or by the
19 [*executive*] director, as the [*executive*] director may determine.

20 (2) Loans shall be structured in such a manner that anticipated payments
21 of principal and interest shall permit timely repayment of the revenue bonds
22 to be issued by the State of Oregon pursuant to ORS 348.570 and 348.625 to
23 348.695. As a condition of participation in the alternative student loan pro-
24 gram by private sector lenders, the [*executive*] director shall procure from
25 each such lender a guarantee or letter of credit ensuring that the
26 [*executive*] director shall receive full and timely repayment of principal of
27 and interest due on loans originated, serviced and administered by the
28 lender. The [*executive*] director shall provide by contract for payment by the
29 [*executive*] director or by borrowers, as the [*executive*] director may deter-
30 mine, of the reasonable costs of such guarantees or letters of credit. It is the
31 intention of ORS 348.570 and 348.625 to 348.695 that participating private

1 sector lenders, not the [*executive*] director, shall bear the entire risk of loss,
2 nontimely repayment or nonpayment of alternative student loan program
3 loans.

4 **SECTION 58.** ORS 348.670 is amended to read:

5 348.670. The administrative expenses of the State Treasurer and the
6 [*Executive*] Director of the Office of Student Access and Completion shall be
7 charged against bond proceeds or repayment revenues.

8 **SECTION 59.** ORS 350.645 is amended to read:

9 350.645. Payments to private and independent institutions of higher edu-
10 cation under contracts entered into under ORS 350.640 shall be determined
11 by the [*Executive*] Director of the Office of Student Access and Completion
12 on a uniform rate for every 45 quarter hours, or equivalent, of approved and
13 registered course work in nonsectarian subjects completed by undergraduate
14 students enrolled in the institutions who are residents of Oregon, and shall
15 not exceed the actual cost to the institution of providing such educational
16 services. This uniform rate shall apply to the estimated 45-hour units for
17 each institution upon which the legislative appropriation is based for that
18 year, or the actual 45-hour units for each institution, whichever is the lesser.
19 Any remaining funds shall be distributed among those institutions whose
20 actual 45-hour units exceed the estimate. The distribution to each institution
21 shall be according to the uniform rate established for the 45-hour units or
22 an amount equal to the ratio that the excess units bear to 45. However, if
23 insufficient funds are available for such a distribution, then the distribution
24 shall be according to the ratio that the total number of 45-hour units in ex-
25 cess of the estimate bears to the total amount of funds remaining undistrib-
26 uted, multiplied by the number of excess 45-hour units, if any, at each
27 institution.

28 **SECTION 60.** ORS 411.894 is amended to read:

29 411.894. (1) The Oregon JOBS Individual Education Account is established
30 to improve the position of JOBS Plus participants in the workforce by in-
31 creasing their access to continuing education. Employer contributions to the

1 account under this section shall be used to pay for education expenses for
2 the individual as provided in subsection (2) of this section.

3 (2)(a) After the participant has participated in the JOBS Plus Program for
4 30 days, the employer shall pay, in addition to the participant wage, one
5 dollar for each participant hour worked into the participant's individual ed-
6 ucation account. Contributions to such an account shall be tax deferred or
7 tax-exempt to the extent permitted by federal and state law.

8 (b) Any participant for whom an Oregon JOBS Individual Education Ac-
9 count contribution is made shall be eligible for access to education benefits
10 from that participant's individual education account for up to five years after
11 the participant has left the JOBS Plus Program and has held a full-time,
12 unsubsidized job for at least 30 days.

13 (c) When any participant has qualified for use of that participant's indi-
14 vidual education account, an amount equal to that participant's individual
15 education account balance shall be transferred to the [*Executive*] Director
16 of the Office of Student Access and Completion for that participant's use.
17 Only one individual education account shall be created for any participant.
18 Each account shall be administered by the [*executive*] director and shall be
19 used for continuing education and training for the participant and the
20 participant's immediate family.

21 (3)(a) The [*executive*] director may use any interest earned by an individ-
22 ual education account transferred to the [*executive*] director under this sec-
23 tion for payment of expenses incurred by the [*executive*] director in carrying
24 out the [*executive*] director's duties under this section.

25 (b) The Department of Human Services shall transfer any interest earned
26 by the Oregon JOBS Individual Education Account to the General Fund for
27 general governmental purposes. The department shall transfer the interest
28 no later than the close of each fiscal year in which the interest is earned.

29 (4) Any unexpended or unobligated moneys remaining in an individual
30 education account five years after the participant has left the JOBS Plus
31 Program are appropriated and transferred to the Higher Education Coordi-

1 nating Commission for the Oregon Opportunity Grant program on that date.

2 **SECTION 61.** (1) The amendments to ORS 348.511 by section 46 of
3 this 2017 Act are intended to change the name of the “Executive Di-
4 rector of the Office of Student Access and Completion” to the “Direc-
5 tor of the Office of Student Access and Completion.”

6 (2) For the purpose of harmonizing and clarifying statutory law, the
7 Legislative Counsel may substitute for words designating the “Execu-
8 tive Director of the Office of Student Access and Completion,” wher-
9 ever they occur in statutory law, other words designating the
10 “Director of the Office of Student Access and Completion.”

11

12 UNIT CAPTIONS

13

14 **SECTION 62.** The unit captions used in this 2017 Act are provided
15 only for the convenience of the reader and do not become part of the
16 statutory law of this state or express any legislative intent in the
17 enactment of this 2017 Act.

18
