

HB 3120C Consolidating and Coordinating Post-Secondary Policy

HB 3120C builds on the work of SB 242 (2011) and the Special Committee on University Governance established by the passage of HB 4061 (2012). The bill is also consistent with recommendations for streamlining and connecting the P-20 system that have been adopted by the Oregon Education Investment Board. HB 3120C was crafted through a stakeholder process that included legislators, legislative staff, and representatives of the Oregon University System, the State Board of Higher Education, Department of Community Colleges and Workforce Development, Oregon Student Access Commission, Oregon Students Association, Oregon Community College Association, Associated Oregon Industries, Oregon Business Council, Oregon Community Foundation, AFT Oregon, Portland State University, Eastern Oregon University, and others.

HB 3120C consolidates policy making for post-secondary education by merging existing authorities of the State Board of Education for community colleges, the State Board of Higher Education for all seven universities, the Oregon Student Access Commission, and the Higher Education Coordinating Commission. HB 3120C stops short of creating a Department of Post-Secondary Education. Rather, it leaves existing agencies in place but requires their directors (the Commissioner for Community Colleges and the Executive Director of OSAC) to report to the HECC Executive Director, effective July 1, 2014.

3120C sunsets the terms of current HECC members and requires the Governor to reappoint it (subject to Senate confirmation). Going forward the HECC will be comprised of 9 voting members, five of whom must represent one of each of Oregon's congressional districts. The Governor is also required to appoint five nonvoting advisory members of the commission. The advisory members shall consist of two students (one from community colleges and one from universities), two faculty (one from community colleges and one from universities), and one non faculty staff member from either a public university or community college.

Effective July 1, 2014, HB 3120C, in conjunction with other recent legislation:

- Re-charters the Higher Education Coordinating Commission (HECC) with new and enhanced responsibilities and authorities,
- Establishes the HECC as the single point of statewide authority for higher education in Oregon:
 - For degree authorization (SB 242, 2011)
 - For oversight of private career schools (SB 242, 2011)
 - For public universities, by transferring authorities currently held by the State Board of Higher Education for developing the biennial budget request, allocating legislatively-appropriated resources, and approving new academic programs (SB 270C, 2013)
 - For community colleges, by transferring authorities currently held by the State Board of Education for developing the biennial budget request, allocating legislatively-appropriated resources, and approving new academic programs
 - For student access and financial aid, by transferring authorities currently held by the Oregon Student Access Commission for oversight of the Oregon Opportunity Grant and other student access programs
- Streamlines the state board/commission system by merging higher education responsibilities from four boards to one, and
- Maintains the existing agency structure including CCWD, OUS, and OSAC.

Final amendments to the bill included provisions that require universities and community colleges to engage stakeholder advisory groups as they develop and adopt their achievement compacts. Additional language was added to shift current appeal process for student incidental fees from the State Board of Higher Education to the Higher Education Coordinating Commission.

Re-chartering the Higher Education Coordinating Commission: The Higher Education Coordinating Commission (HECC) was established with the passage of SB 242 in 2011. Effective July 1, 2014, HB 3120C deletes the current statutory charge for the commission and replaces it with language directing the Commission to:

1. Advise the Oregon Education Investment Board on state goals, achievement compacts, investment strategies, and data collection,
2. Adopt a strategic plan for achieving state post-secondary education goals,
3. Recommend to the Governor and the Oregon Education Investment Board a consolidated higher education budget request aligned with the strategic plan they have adopted,
4. Distribute appropriations from the Legislative Assembly to community colleges, public universities, and student access programs,
5. Approve or disapprove any significant change to the academic program of a community college or a public university,
6. Adopt any changes to the university mission statements upon a recommendation from a public university's governing board, pursuant to any process required by the board to review and approve changes to the university's mission statement,
7. Review and determine whether a proposed annual increase of resident undergraduate enrollment fees, as described in ORS 351.063, of greater than five percent is appropriate,
8. Advise the Governor and the Legislative Assembly on issues of university governance,
9. Approve and authorize degrees,
10. Oversee the licensing of career schools under ORS 345.010 to 345.450, and
11. Advise the Legislative Assembly, the Governor, community colleges, public universities and other state boards and commissions on policies in order to:
 - Improve access to higher education,
 - Encourage student success,
 - Improve the coordination of transfers and co-enrollment, accelerated college credit programs for high school students, applied baccalaureate and transfer degrees, programs and grants that span multiple institutions, and reciprocity agreements with other states,
 - Enhance the use of dual credit, career and technical pathways,
 - Coordinate with the State Workforce Investment Board, local workforce investment boards, the Oregon Health and Science University and independent institutions, to ensure that the state's colleges and universities offer programs in high-demand occupations that meet Oregon's workforce needs.
 - Improve economies of scale by encouraging and facilitating the use of the shared services among post-secondary institutions in this state.

Establishing the HECC as the single point of statewide authority for higher education in Oregon, effective July 1, 2014.

For degree authorization. SB 242 (2011) transferred authority for degree authorization from the Oregon Student Access Commission (OSAC) to the HECC, effective July 1, 2012. HB 3120A maintains the HECC's responsibility to oversee the Office of Degree Authorization.

For oversight of private career schools. SB 242 (2011) established that the state's regulatory powers relative to private career schools would transfer from the Oregon Department of Education to the HECC effective July 1, 2013. HB 3120A maintains that arrangement.

For public universities. Under current law, the State Board of Higher Education is responsible for governing and coordinating the state's public universities. SB 270 (2013) shifts responsibility for oversight of UO, PSU, and OSU to institutional boards; it shifts responsibility for coordination, including budget development, resource allocation, and program/mission approval, to the HECC. These changes are effective July 1, 2014.

For community colleges. Under current law, the State Board of Education is responsible for coordinating the state's community colleges and should have general supervisory responsibilities for that system. Its authorities include allocating state funding to community colleges, approving program changes at community colleges, and overseeing the process to form or change the boundaries of community college service districts. HB 3120 transfers those responsibilities from the State Board of Education to the HECC, effective July 1, 2014.

For student access and financial aid. Under current law, the Oregon Student Access Commission board has statutory authority to manage and disperse numerous student financial aid programs including ASPIRE and the Oregon Opportunity Grant. HB 3120 transfers these authorities from the Oregon Student Access Commission board to the Higher Education Coordinating Commission. Under HB 3120, OSAC agency staff report to the HECC. The OSAC board is abolished. These changes are effective July 1, 2014.

Streamlining the state board/commission system by merging higher education responsibilities from four boards to one: As described above, the "new" HECC will assume higher education responsibilities held today by the State Board of Education, State Board of Higher Education, the Oregon Student Access Commission, and the existing HECC. The State Board of Education remains, but is focused on K-12. Under SB 270A, the State Board of Higher Education remains, but is transformed to be governing board for public universities that don't have their own institutional boards. Under HB 3120, the OSAC board is abolished.

Maintaining the existing agency structure including CCWD, OUS, and OSAC: HB 3120 does not create a new Department of Post-Secondary Education. Rather, the HECC's authorities would be executed through an Executive Director and staff at existing agencies: CCWD, OUS, and OSAC.

Requiring Stakeholder Input In Post-Secondary Achievement Compacts: Current law requires community colleges and universities to enter into achievement compacts with the Oregon Education Investment Board as part of the annual budgeting process. House Bill 3120C requires community colleges and universities to form achievement compact advisory committees and specifies that the membership includes the college president, full-time and

part-time faculty, other employees and students. The measure directs the committee to recommend outcomes, measures of progress, goals and targets to be expressed in the achievement compact and develop plans for achieving them.

Codifying Authority Over Student Incidental Fees: Current law, administrative rule, and university bylaws specify the manner in which universities can collect and allocate student incidental fees. Under current law, if the recognized student government at a university and the university administration can not agree on the amounts or allocation of the incidental fees the students may appeal to the State Board of Higher Education. The -11 amendment to HB 3120A codify existing authorities, provide that a university administration or governing board may deny a fee allocation if they find it violates current law, breaks existing financial agreements or contracts, or is not advantageous to the cultural or physical development of students. Under this scenario students and administration could appeal to the Higher Education Coordination Commission to resolve disagreements.