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Oregon Community College Association 2015 Legislative Session Highlights

Session Overview

The 2015 Legislative Session was the first since the recession in which legislators began to make restorations to budgets beyond their pre-recession funding levels. It will also be remembered for a session that began with one governor, but saw his resignation and replacement by Governor Kate Brown, all in the first month of session.

OCCA focused much of the organization's energy around advocating for a significant increase to the community college support fund, with no strings attached as to how the money would be spent by colleges. This was the first session since the 2007, when the Great Recession began, in which quarterly economic forecasts were consistently optimistic. In fact, leading into the legislative session, one of the biggest concerns for budget writers was whether the state kicker law would trigger the automatic refund of over \$350 million in income tax revenue. Eventually, legislators found the kicker would kick but revenue for the upcoming biennium was projected high enough to continue making budget restorations.

However, midway through the session, a ruling on the Public Employment Retirement System (PERS) deal crafted in the 2013 session, was mostly struck down by the Oregon Supreme Court. The decision upheld changes for future retirees and ended tax payments for out-of-state retirees but overturned changes to the COLA benefits of current retirees – leaving only a fraction of the savings from the 2013 law and setting up a complicated system for determining COLAs in the future. While PERS has reserves set aside to cover the costs of the court overturning the COLA changes in the upcoming biennium, costs to employers will rise in the 2017-19 biennium as unfunded actuarial liabilities increase.

With John Kitzhaber resigning as Oregon's governor on February 12, much of his signature education policy changes were left in flux. The fate of the OEIB (Oregon Education Investment Board) changed dramatically with Kitzhaber's departure and left a bit of a policy vacuum for issues like free community college gain momentum and others like the OEIB's accelerated learning proposal to collapse and be largely replaced.

With large majorities in both chambers after the 2014 election, democrats also had the ability to push through legislation that had died in the Senate in previous the session. This affected legislation on a variety of issues from the environment to education. It also meant that organized labor was able to pass a few of their priority bills that had failed in previous sessions.

Budget

OCCA worked in coalition with the public universities in advocating for funding for both sectors with community colleges asking for \$550 million and universities asking for \$755 million. Advocacy efforts included a joint higher education rally, outstanding joint representation at the Ways and Means Committee road hearings, and numerous legislative visits with a coalition of students, administration and faculty.

In the end, the community college support fund was funded at \$550 million dollars with a budget note asking the Office of Community Colleges and Work Force Development (CCWD) to update relevant legislative committees if an outcomes-based funding formula is adopted. No other restrictions were placed on the budget. This represents a \$100 million, or 22% increase over the 2013 session appropriation.

Governance

With the departure of Governor Kitzhaber, much of his education agenda, especially the fate of the OEIB, were left in flux. Led by Senator Arnie Roblan, the legislature convened a workgroup of members of the legislature and stakeholders across all sectors of education. OCCA participated heavily in the workgroup which led to the passage of SB 215. The OEIB will now become the Chief Education Office directed by the Chief Education Officer, who will be appointed by the Governor. The office will not be directed by a board as the OEIB was and will have much narrower responsibilities, including playing a coordinating role to focus on transitions between sectors and equity issues. Notably, the HECC Executive Director will no longer report to the Chief Education Officer, except for the specific issues related to “multi-agency” planning.

(P) = Passed (F) = Failed to Pass

Budget

(P) Aspirations to College ([HB 3063](#)) – The Aspirations to College bill continues a program through CCWD for a grant program that distributes moneys to community colleges to increase number of underserved, low-income and first-generation college-bound students who enroll in community college and make progress toward degree or certificate. It was funded at \$3 million.

(F) Tuition Freeze ([HB 3281 INTRO](#)) – This bill was at the request of the Oregon Student Association placing a tuition and fee freeze on public universities and community colleges for the 2015-17 biennium. The bill was intended to make a point more than anything else and did not receive a hearing.

(P) HECC/CCWD Budget ([HB 5024 A](#)) – This is the budget bill for HECC, OSAC, universities and the Community College Support Fund. It includes \$550 million for the support fund, a 22 percent increase over the previous biennium. That budget included a budget not asking HECC to update the legislature should it move to an outcomes-based funding model. Funding for the Oregon Opportunity Grant program is increased to \$140.9 million total funds, a 23.7 percent increase. At this level of funding approximately 84,000 recipients are expected to receive grants averaging \$1,650.

(P) Advising Support ([SB 5507](#)) – In last minute budget negotiations, OCCA was able to secure an additional \$1.5 million for student advising.

Capital Construction

(P) Capital Construction Bills ([HB 5005 A](#) & [HB 5006 A](#)) – Community colleges were not included in capital construction for the 2015 session after the legislature funded the entire community college capital list in the 2013 session. With that funding, the Ways and Means Committee directed community colleges not to ask for new capital projects until the 2017 session. However, language approving land sales for two existing projects at Rogue and Tillamook Bay were included in the bill, along with an extension for Clackamas and a substitute of projects for Mt. Hood.

Collective Bargaining

(F) Expedited Bargaining Changes ([HB 2544 A](#)) – As introduced, this bill would have changed existing expedited bargaining provisions in the Public Employee Collective Bargaining Act and required mediation and arbitration to implement mid-term contract changes when disputes arose. OCCA joined other local governments in opposing this bill as it would have removed an essential tool to move forward with mid-term contract changes when warranted. The bill died in the Senate Rules Committee.

CTE/STEM

(P) CTE Funding for School Districts ([HB 3072 A](#)) – The legislature funded \$35 million for career and technical education (CTE) through the Oregon Department of Education budget. This bill sets up a framework for that funding. Appropriates include \$2 million for post-secondary CTE for underrepresented and women students, \$5 million for stem hubs, \$4.75 million for stem innovations, \$8.75 million for career pathways for K-12, and \$9 million for CTE revitalization grants.

(F) CTE Revitalization Grants ([SB 725 INTRO](#)) – Republican Senator Alan Olsen introduced this bill to appropriate \$25 million to the HECC for CTE revitalization grants to community colleges. Democratic leadership allowed a courtesy hearing on the bill, but it was never seriously considered for passage and was outside the regular budget process.

Education Policy

(P) Non-Credit Training Certificates ([HB 2410 ENB](#)) – CCWD staff worked in the interim on this concept to allow certification of non-credit training. OCCA strongly supported the concept and worked to counter concerns raised by for-profit providers. The bill passed with near unanimous support.

(P) Transfer of Community College Credits ([HB 2525](#)) – This bill was to insure the transferability of community college courses to public universities as well as establish processes that minimize the number of courses a student transferring with the AAOT would need to complete to earn a bachelor’s degree. As enrolled, the bill now directs the Higher Education Coordinating Commission to convene a work group to develop standards related to transferability of credits for community colleges and public universities with a report due to the legislature by July 1, 2016.

(P) Community College Placement ([HB 2681](#)) – In its original form, this bill from Rep. Komp directed community colleges to use one of four national assessments for student placement in college courses. However after OCCA worked with the representative, the bill now directs the Higher Education Coordinating Commission and State Board of Education to appoint a work group to examine and recommend effective processes and strategies for placing students in courses at community colleges. This work will be closely aligned with placement work already underway via the developmental education redesign effort. A preliminary report is due to the legislature by February 1, 2016, with a final report due September 15, 2016.

(F) Establish Work Group to Identify Bachelor Degree Courses ([HB 2682](#)) – This bill was sponsored by Rep. Komp in an effort to ease the student transfer process from community college to public university. Specifically, the bill directed the Higher Education Coordinating Commission to convene a work group of public university presidents to identify core classes needed for a bachelor’s degree and articulate the criteria a community college course must have in order to be counted as one of the core classes. This bill died in committee.

(F) Parlez Vous Linux? ([HB 2766 INTRO](#)) – This bill would have allowed language-based computer coding to satisfy any world language requirements in public schools and second language requirements in community colleges and post-secondary institutions of education. It failed to move forward after an initial hearing.

(P) Open Educational Resources ([HB 2871](#)) – Establishes Open Educational Resources (OERs) Grant Program for community colleges and universities within Higher Education Coordinating Commission (HECC). The bill requires HECC to identify OERs adopted as primary instructional material for at least 15 postsecondary courses with a report due to the legislature by December 1, 2015. HECC was also directed and funded to hire a specialist to focus on this area. This bill appropriates \$700,000 for grants to colleges and universities to develop OERs.

(P) Establishes Affordable Baccalaureate Degree Act ([HB 2973 EN](#)) – This bill directs universities to work toward a fixed cost baccalaureate degree that is less expensive than a traditional degree. Community colleges are to work with the universities to provide streamlined transfer and dual enrollment programs.

(F) Community College for High School Students ([HB 3118 INTRO](#)) – This bill would have allowed high school aged students who have not received high school diploma to attend community college and to use moneys that would have paid for public school to be paid for books, tuition and fees. This bill did not receive a hearing.

(P) Oregon Promise (Free Community College Tuition for Some) ([SB 81 A](#)) – SB 81 creates a program administered by the Oregon Student Access Commission (OSAC) for students who have graduated from high school with a 2.5 GPA or received their GED in the last six months. Students must file a FAFSA if eligible. The grant is a minimum of \$1000 up to the average cost of community college tuition. HECC is given authority to direct the grant at graduates from specific high schools or districts and to promulgate rules to design the program to help students succeed and complete. \$10 million is appropriated to fund the program in the second year of the 2015-17 biennium. OCCA worked extensively with legislative leaders to frame the resulting legislation to ensure it is workable and meets the needs of students.

(F) Accelerated Learning ([SB 84 INTRO](#)) – This bill would have established statewide standards and funding mechanisms for accelerated college credit programs for high school students. As introduced, it would have banned online college courses for high school students and given HECC authority to set faculty credentials. OCCA opposed the bill.

(F) Let's End Poverty ([SB 114 INTRO](#)) – This bill would have directed the now defunct Oregon Education Investment Board to work with the Early Learning Council to evaluate methods for providing components of two-generation strategy to address poverty. The bill received a hearing but did not move further in the process.

(F) Fifth Year High School Programs ([SB 322 INTRO](#)) – This bill would have established funding mechanism for fifth year high school programs. However, a companion bill, SB 898, established a one year moratorium on the expansion of five year programs pending a workgroup on the topic.

(P) Oregon Promise Support Money ([SB 418 A](#)) – The bill as passed out of the Senate Education Committee would have implemented the language of SB 84 and the accelerated learning task force. OCCA worked to amended it to set aside \$7 million in the Emergency Board for advising and accelerated learning for Oregon Promise students. HECC will convene a work group to make recommendations for the use of the money prior to the 2016 session.

(F) Universities Awarding Associate Degrees ([SB 518 INTRO](#)) – This bill would have directed the HECC to convene a work group of representatives from public universities and community colleges to determine whether the 40-40-20 mission would be enhanced by enabling universities to award associate degrees.

Financial Aid

(F) Prohibits Contracts with Financial Aid Management Firms ([HB 2254 INTRO](#)) – This bill would have prohibited public colleges and universities from entering into contracts with third-party financial services firms like Higher One. It also would have prohibited practices such as the PIN transaction fee charged in some Higher One contracts. This bill received a hearing but did not move any further in the process. HB 2832 eventually became the vehicle for changes in this policy area.

(P) Changes to the Oregon Opportunity Grant ([HB 2407 A](#)) – This bill gives the executive director of the Oregon Student Access Commission the ability to set maximum award amounts for the Oregon Opportunity Grant and set priorities for funding if they grant is not fully funded. Priorities would include things like low-income status and the state’s equity goals. The bill represented the work of a task force that included members of the HECC and financial aid directors from community colleges and universities. OCCA also participated in the task force.

(F) Pay it Forward ([HB 2662 A](#)) – This bill directs the HECC to set up the policies and rules necessary to implement the Pay it Forward program, by which students would attend a community college or university tuition-free but would pay the cost back later as a percentage of the salary. The program has no funding attached but directs the HECC to set up the program should funding become available. The program has no mandates regarding tuition for colleges and universities and would run through OSAC.

(P) Third Party Financial Services (Higher One) ([HB 2832 B](#)) – Often referred to as “the Higher One bill,” this legislation prohibits certain practices when public colleges or universities enter into agreements with third party financial services companies like Higher One. Practices that will be prohibited include PIN transaction fees and profit sharing. OCCA worked with universities and other advocates to amend the bill including the removal of language that would have granted students a private right of action in disputes with such companies.

(F) Third Party Financial Service Contract Negotiating ([HB 3184 INTRO](#)) – This bill would have directed the State Treasurer, in consultation with HECC, to negotiate contracts with companies like Higher One. Ultimately the Treasurer’s Office did not want this responsibility and the bill did not move through the process after an initial hearing.

(F) Oregon Opportunity Grant Funds for STEM Field ([SB 529 INTRO](#)) – This bill would have required that at least 25 percent of Oregon Opportunity Grant moneys be awarded to students committed to majoring in science, technology, engineering or mathematics fields. The bill did not receive a hearing.

(P) Financial Aid for Students Qualifying for Exemption From Nonresident Tuition ([SB 932 A](#)) – This bill, championed by the Oregon Student Association, allows students to be eligible for the Oregon Opportunity Grant if they are undocumented but qualify for in-state tuition under Oregon law.

Governance

(P) Integrates CCWD into HECC ([HB 2408 EN](#)) – Based on recommendations from the HB 4018 task force, this bill completes the integration of CCWD into HECC by moving CCWD into HECC as the Office of Community Colleges and Workforce Development. It also changes the name from Commissioner to Director.

(F) Removes Sunset on Achievement Compacts ([HB 2953](#)) – This bill was to allow the continuation of achievement compacts beyond the 2016 academic year. It also contained language clarifying that annual submission dates for compacts would be established by the Oregon Education Investment Board. With the bill's failure, achievement compacts are repealed.

(P) Reconfigures OEIB ([SB 215 A](#)) – This bill drastically changes the Oregon Education Investment Board by eliminating the board, reconfiguring the duties of the Chief Education Office to focus on convening and facilitation, and limits the authority for rulemaking and oversight over the HECC and the Oregon Department of Education. The bill also extends the sunset for four more years with a continuation of the workgroup of education stakeholders to further recommend changes at the 2016 session. OCCA played a key role in shaping the final version of the bill.

Health Care

(P) OEIB Entity Definition Broadened to Include OCCA ([SB 681 EN](#)) – This bill revises the definition of "local government" to allow inter-government entities established under ORS 190, including OCCA, to gain access to health insurance through the Oregon Educators Benefit Board (OEBB). Allowing OCCA to access OEBB plans to cover staff provides a potentially less expensive option for health benefits. OCCA currently obtains insurance through the Small Business Insurance market.

(F) Health Insurance for Part-Time Faculty ([SB 702 A](#)) – Community colleges and universities would have been required to pay the premium costs for part-time faculty members who qualified for health insurance based on work at multiple institutions. Part-time faculty working at multiple institutions already have access to Oregon Educators Benefit Board (OEBB) plans on a self-pay basis. OCCA worked

with the OEBB and the colleges to identify the potential cost of this mandate. Due to the significant cost to universities and community colleges, the bill was referred to the Joint Committee on Ways and Means for further consideration. While the bill did not move forward, an amendment was added to SB 113 to require HECC to form a workgroup to make recommendations before the February 2016 Legislative session on how part-time hours are calculated and premiums might be subsidized in the future.

Operations

(P) Protects Confidential Communications for Victims of Sexual Violence ([HB 3476 EN](#)) – OCCA joined the Title IX Coordinators at Oregon’s public post-secondary institutions in support of this bill to establish privilege in civil, criminal, administrative and school proceedings for communications between persons seeking services related to domestic violence, sexual assault or stalking and victim services programs and advocates. The bill was signed by the Governor and become effective June 4, 2015.

(P) Use of Preferred Name and Voluntary Identification of Students, Faculty and Staff Sexual Orientation ([SB 473 B](#)) – OCCA worked with the bill’s proponents on an amendment to require HECC to work with community colleges to determine the best method for collecting voluntarily provided data related to sexual orientation and implementing policies permitting enrolled students to use preferred names on certain college documents. HECC must also identify barriers to carrying out these requirements including legal, cost, and data system limitations and report back to the legislature no later than May 31, 2016.

(P) Community College Budget Information ([SB 519 A](#)) – This bill requires CCWD to select and implement a uniform budget and accounting system to be used by community colleges and to publicly post the information on the department’s website. OCCA worked to clarify that the system already exists and is used by community colleges. Due to personnel changes at CCWD this information is no longer posted on a publicly accessible web page. This bill will require that information to be available once again.

(P) Policies to Assist Victims of Sexual Assault on College Campuses ([SB 759 EN](#)) – Community colleges were added to this bill, which requires Oregon public and private post-secondary institutions to adopt written protocols for victims of sexual assault to ensure that victims receive necessary services and assistance. The requirements mirror best practices that exist in federal law related to the federal SaVE Act, Clery Act, and Title IX. OCCA worked with the colleges and the bill’s proponents to ensure the requirements are consistent with current efforts and can be met without additional administrative burden. The bill was signed by the Governor and is effective January 1, 2016.

PERS

(F) PERS Police Officer Benefits for Community College Instructors Teaching in Correctional Facilities (HB 2807 INTRO) – HB 2897 would have changed the qualification of full-time faculty members employed by a community college to teach incarcerated persons within a secure perimeter of correctional institution as police officers under Public Employees Retirement System. This change would have impacted PERS retirement age and benefits for full-time faculty only. A public hearing was held by the House Business and Labor Committee and no further action was taken.

Personnel

(P) Criminal History Background Check (HB 3025 B) – As proposed this bill would have established an unlawful practice of inquiring into or considering applicant's conviction history on application form or prior to interview or, if no interview is conducted, prior to conditional offer of employment. Due to concerns raised by employers, the bill was significantly amended to prohibit asking the question about criminal convictions on an employment application or prior to an initial interview unless federal, state or local law (including rules and regulations) provides otherwise. The bill was signed by the Governor and becomes effective on January 1, 2016.

(F) Unemployment Benefits Payable to Faculty During Summer Term (HB 3508 INTRO) – OCCA opposed this bill providing that unemployment insurance benefits would be payable during summer term to community college faculty who have received assignments for previous summer term. Oregon law and federal unemployment insurance rules prohibit the payment of benefits to faculty and staff during breaks between terms including summer term when the faculty member has reasonable assurances of continuing employment. A public hearing was held by the House Business and Labor Committee and no further action was taken on this bill.

(P) Reporting of Employee Data and Health Insurance for Part-Time Faculty (SB 113 A) – This bill requires HECC to convene work group of stakeholders to determine most appropriate method for public universities and community colleges to report employment data for employees. The categories of employee data to be reported is expanded considerably from the existing full-time and part-time faculty categories. The bill was amended to include a work group to evaluate health insurance for part-time faculty working at multiple post-secondary institutions. Reports and recommendations are due to the Legislature by the end of 2015. See also SB 702.

(P) Mandatory Sick Leave (SB 454 EN) – This bill requires all employers to implement sick leave policies for employees providing a minimum of five sick days per year. Under the bill sick leave accrues at a rate of one hour of leave per thirty hours worked. Employers with policies that meet the minimum requirements of the bill are deemed in compliance. OCCA intends to convene a work group of human

resources directors and business officers to address implementation issues and make recommendations for changes to the statute for the February 2016 session. The bill is effective January 1, 2016.

(F) Unemployment Insurance for Classified Staff During Summer Term (SB 470 A) – After concerns were raised by OCCA and school districts, SB 470 was amended to address a limited population of classified staff who are eligible for unemployment insurance. Due to concerns about conformity with federal law, the bill did not move forward. The chair of the House Business and Labor Committee, Rep. Holvey, indicated he would like to convene an informal workgroup during the interim to explore this issue and possible options further. The workgroup will include community college representatives as well as staff from the Oregon Employment Department.

Public Contracting

(F) Posting of Contracting Information on Oregon Transparency Website (HB 3321 INTRO) – This bill would have required contracting agencies to provide to Oregon Department of Administrative Services, and department to post on Oregon transparency website, certain information about public contracts. OCCA worked with other local government entities in opposing this bill. The Department of Administrative Services is already working to post some information related to community college and school district contracts on the website in the least burdensome manner possible as required by HB 3035 (2013).

(F) Local Area Study Required for Public Contracts (HB 3322 INTRO) – This bill would have required a contracting agency before conducting procurement to conduct a study concerning how the procurement would affect the local area in which work in connection with procurement would occur and to post results of study to contracting agency's website and to Oregon transparency website. OCCA joined with other local and state agencies in opposing this overly burdensome requirement. The bill died in the House Rules Committee.

(F) Public Contracting Cost Analysis (SB 414 INTRO) – This bill would have permitted an employee of a contracting agency that conducts a cost analysis or determines the feasibility of procurement, or exclusive representative of employee's bargaining unit, to seek judicial review of a cost analysis or determination, and would have expanded the requirements for conducting the cost analysis. OCCA joined with other local state and governments in opposing this bill as overly burdensome. If it had passed, it would make it nearly impossible to contract out for services. A public hearing was held in the Senate Workforce Committee and no further action was taken.

Students

(P) Rules for Subsidy Programs for Employment-Related Child Care ([HB 2015 A](#)) – This bill directs the Department of Human Services, in consultation with Early Learning Division and Office of Child Care, to adopt rules for subsidy programs for employment-related child care that, at minimum, provide for one year of eligibility regardless of change in employment, permit students enrolled in coursework and self-employed persons to receive subsidized employment-related child care, and provide for reduced copayments and incentive payments when child care provider meets specified minimum standards. Unfortunately, this program continues to have a significant waiting list for eligible families.

(F) Directs HECC to Conduct Child Care Survey ([HB 3407 INTRO](#)) – This bill would have directed the HECC to student child care needs at colleges and universities. It was strikingly similar to one passed in the 2015 session that created a task force to study child care needs at community colleges. The bill did not receive a hearing.

Veterans

(P) Requires Universities to Establish Priority Enrollment System for Veterans ([HB 2645 EN](#)) – This bill requires public universities to establish a priority enrollment system for qualified students who are active members of Armed Forces of the United States, who are qualified veterans or who receive veterans' educational benefits as federally qualified dependents of active members or qualified veterans. The bill requires community colleges to allow qualified students into priority registration if the college has such a system. OCCA worked with the bill's sponsor to draft an amendment to clarify that the requirement applies only to colleges with existing priority enrollment systems.

(F) Veterans' Hiring Preferences ([SB 87 A](#)) – This bill would have modified current law regarding the requirement that a public employer grant preference to veterans and disabled veterans in the selection process for competitive positions. It was introduced after work was done during the interim to clarify state and federal veterans' preferences in hiring. Unfortunately consensus could not be reached on the clarifications prior to adjournment.