

Chapter 348

1991 EDITION

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LOANS GENERALLY

348.010 Higher Education Student Loan Fund; investments. (1) The Department of Higher Education shall maintain with the State Treasurer a fund separate and distinct from the General Fund known as the Higher Education Student Loan Fund which shall consist of:

(a) All moneys made available to the State Board of Higher Education for student loan purposes by state appropriations and by the Federal Government under terms of the National Defense Education Act of 1958 and amendments thereto, and under terms of the Health Professions Educational Assistance Act of 1963 and the Nurses Training Act of 1964 and amendments thereto;

(b) Repayments of loans identified in paragraph (a) of this subsection;

(c) Interest earned on student loans identified in paragraph (a) of this subsection; and

(d) Earnings from investments of the Higher Education Student Loan Fund.

(2) All moneys in the Higher Education Student Loan Fund are continuously appropriated for the purpose of granting student loans under the terms established by the National Defense Education Act of 1958 and amendments thereto, under terms of the Health Professions Educational Assistance Act of 1963 and the Nurses Training Act of 1964 and amendments thereto.

(3) The repayment in whole or part of any student loan made under terms of the National Defense Education Act of 1958 and amendments thereto, under terms of the Health Professions Educational Assistance Act of 1963 and the Nurses Training Act of 1964 and amendments thereto, shall be made pursuant to the provisions of the applicable federal statutes and repayment to the Higher Education Student Loan Fund shall be made in accordance with applicable federal statutes.

(4) Funds in the Higher Education Student Loan Fund not needed for student loans may be invested by the State Treasurer in securities which constitute legal investments as defined in ORS 295.005 (7). The State Treasurer shall credit to the Higher Education Student Loan Fund any interest or other income derived from such investment. [Formerly 351.570; 1987 c.102 §1]

348.040 Definitions for ORS 348.040 to 348.070. As used in ORS 348.040 to 348.070, unless the context requires otherwise:

(1) "Eligible student" means a person who is a resident of this state, as determined by the State Scholarship Commission, at the

time of application for a loan under ORS 348.040 to 348.070:

(a) Who is enrolled in or has applied for enrollment in a qualified school;

(b) Who has demonstrated a satisfactory level of achievement in the high school or other school on the record of which the application for enrollment is based or in which the applicant is enrolled; and

(c) Who can show the necessity for financial assistance in order to continue the applicant's education.

(2) "Qualified school" means a school within this state which is a:

(a) Four-year, nonprofit, generally accredited institution of higher education;

(b) Accredited public or private community college or education center, or one recognized by a state educational agency;

(c) Vocational school that is approved by the Superintendent of Public Instruction;

(d) Medical or dental program offered by the Oregon Health Sciences University;

(e) Veterinary program offered by Oregon State University; or

(f) Institution which is, in the opinion of the State Scholarship Commission, comparable to such institutions, colleges, centers or schools.

(3) When the State Scholarship Commission certifies that the course is not available within this state, a qualified school may include an institution, college, center or school not located in this state. [1965 c.532 §1; 1977 c.762 §6; 1981 c.324 §2]

348.050 Student loans from Common School Fund; terms and conditions; exceptions. (1) Upon approval of the loan application of an eligible student by the State Scholarship Commission, the Division of State Lands may loan an amount from the Common School Fund to the student in compliance with ORS 348.040 to 348.070. The loan shall be evidenced by a written obligation but no additional security shall be required. Notwithstanding any provision in this section, the division may require cosigners on the loans.

(2) Loans granted under ORS 348.040 to 348.070 to eligible students by the division shall:

(a) Not exceed \$1,000 in a single academic year to an undergraduate student.

(b) Not exceed \$4,000 in a single academic year to a graduate or professional student.

(c) Not exceed \$16,000 for all loans made to a student under ORS 348.040 to 348.070.

(3) Payment of interest shall be as follows:

(a) Medical and dental student borrowers at the Oregon Health Sciences University and veterinary student borrowers at Oregon State University shall be assessed at least six percent interest per annum on the unpaid balance from the date of the note. Interest payments by these borrowers shall be deferred until they cease to be enrolled. During the interest deferment period, the State Scholarship Commission shall pay the Division of State Lands the negotiated rate of interest on an annual basis. The borrower shall reimburse the State Scholarship Commission for these interest payments as provided in subsection (4) of this section. These borrowers shall commence direct payment of accruing interest to the Division of State Lands at the time they cease to be enrolled.

(b) All other borrowers are required to pay at least seven percent interest per annum on the unpaid balance from the date of the loan as provided in subsection (4) of this section.

(c) The State Scholarship Commission shall pay annually to the Division of State Lands a maximum of three percent per annum on the unpaid balance of all medical, dental and veterinary student borrower loans. The rate of this special payment may vary annually and will be negotiated by the State Scholarship Commission and the Division of State Lands.

(d) The interest rates to be charged the borrower for the school year as stated in paragraphs (a) and (b) of this subsection shall be negotiated by the Division of State Lands and the State Scholarship Commission.

(4)(a) Repayment of the principal and accruing and deferred interest on loans shall be commenced not later than 12 months after the student's graduation or other termination of the student's education.

(b) Notwithstanding any other provision of this section, medical, dental and veterinary student borrowers who enter approved post-graduate study programs shall commence repayment of the principal and the accruing and deferred interest on loans no later than 12 months following the completion of the post-graduate study program or 60 months, whichever is sooner.

(c) Repayment shall be completed in a maximum of 120 months from the time repayment is commenced. However, nothing in this section is intended to prevent repayment without penalty at an earlier date than provided in this section or to prohibit the division, with the consent of the State Scholarship Commission, from extending the

repayment period to a date other than permitted by this subsection.

(5) Notwithstanding any other provision of this section, the Division of State Lands may loan an amount from the Common School Fund to a student under guaranteed programs authorized by the Higher Education Act of 1965, as amended, commonly known as the Guaranteed Student Loan Program and the Parent's Loans for Undergraduate Students Program. Neither the limitations on amounts set forth in subsection (2) of this section nor the subsidies authorized by subsection (3) of this section apply to such loans. ORS 327.484 does not apply to such loans. [1965 c.532 §2; 1969 c.573 §3; 1977 c.725 §1; 1977 c.762 §7; 1981 c.324 §1; 1983 c.483 §1]

348.060 [1965 c.532 §3; repealed by 1971 c.577 §3]

348.070 List of suitable vocational schools. To assist the State Scholarship Commission and the Division of State Lands in determining the qualification of schools, the Superintendent of Public Instruction shall maintain a listing of vocational schools offering vocational and technical training that meets the occupational needs of the student. [1965 c.532 §4]

348.080 [1965 c.532 §10; repealed by 1967 c.477 §5]

348.090 Loans guaranteed by state agency; payment of interest. In addition to and not in lieu of student loans authorized pursuant to ORS 348.040 to 348.070, the Division of State Lands may make loans to students who are Oregon residents if the loans are guaranteed by a state agency. The terms, conditions and rates of interest of such loans may be determined by the division so as to take advantage of any federal statute providing for full or partial payment of interest on such loans. [1967 c.477 §4]

348.095 Reimbursement by commission for default losses. From funds available therefor, the State Scholarship Commission shall reimburse the Division of State Lands for any loss resulting from default of a student loan under ORS 348.040 to 348.070. Funds appropriated under ORS 348.050 to pay interest to the division on loans to medical, dental and veterinary students shall also be available to reimburse the division for any loss resulting from default of a student loan under ORS 348.040 to 348.070. [1977 c.762 §10; 1987 c.130 §1]

348.105 Loan obligations enforceable against minor. (1) As used in this section:

(a) "Person" means individual, corporation, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, or any other legal entity.

(b) "Educational institution" means any post-secondary educational institution approved or accredited by the Northwest Association of Secondary and Higher Schools, by its regional equivalent, or by the appropriate official, department or agency of the state or nation in which the institution is located and which is:

- (A) A four-year college or university;
- (B) A junior college or community college; or
- (C) A technical, vocational or professional school.

(c) "Educational loan" means a loan or other aid or assistance for the purpose of furthering the obligor's education at an educational institution.

(2) Notwithstanding any other provision of law, any written obligation made by any minor in consideration of an educational loan received by the minor from any person shall be as valid and binding as if the minor had, at the time of making and executing the obligation, attained the age of majority, but only if prior to the making of the educational loan an educational institution has certified in writing to the person making the educational loan that the minor is enrolled, or has been accepted for enrollment, in the educational institution.

(3) Any obligation mentioned in subsection (2) of this section may be enforced in any action or proceeding against such person in the name of the person and shall be valid, insofar as the issue of age is concerned, without the consent thereto of the parent or guardian of such person. Such person may not disaffirm the obligation because of age nor may such person interpose in any action or proceeding arising out of the educational loan the defense that the borrower is, or was, at the time of making or executing the obligation, a minor.

(4) Any parent or legal guardian who did not consent to guarantee or otherwise assure performance of the obligation mentioned in subsection (2) of this section shall not be liable for payment of such obligation. [Formerly 348.805; 1977 c.725 §2]

348.115 Student loans for nursing programs; terms and conditions. (1) In addition to any other financial aid provided by law, the State Scholarship Commission, pursuant to rule, may award loans to a qualified resident of this state upon the resident's acceptance and entry into a baccalaureate or associate degree nursing program at a post-secondary institution in Oregon. The loans may be forgiven upon fulfillment of the requirements of subsection (4) of this section.

(2) The loans authorized by subsection (1) of this section:

(a) Shall be made based on achievement, ability, need and motivation;

(b) Shall be made on an annual basis subject to renewal upon satisfactory performance for the duration of the nursing program; and

(c) Shall be made in annual amounts not to exceed 50 percent of the sum of tuition, fees and room and board for each participating student.

(3) Priority in awarding loans shall be given to:

(a) A resident employed in the health care field at the time of application; and

(b) A resident who agrees to practice in an area where there is a critical shortage of nurses, as determined annually by the Oregon State Board of Nursing in consultation with the Office of Rural Health.

(4) The resident receiving a loan under this section must agree to practice nursing full-time in this state for one calendar year for each academic year for which the loan is received. If the resident does not fulfill the practice requirement within five years of graduation, the amount received shall be considered a loan, repayable as provided in ORS 348.117, for each year for which the practice requirement is not met. [1991 c.947 §16]

348.117 Repayment of loans under ORS 348.115; grounds for deferral. (1) Student borrowers under ORS 348.115 shall be required to pay at least seven percent interest per annum on the unpaid balance from the date of the loan as provided in subsection (5) of this section.

(2) Repayment of the principal and accruing and deferred interest on loans shall be commenced not later than 12 months after the student's completion of the nursing program or other termination of the student's education.

(3) Repayment of loans shall be deferred upon application therefor for up to three years during which:

(a) The student borrower is enrolled as at least a half-time student in a subsequent nursing program leading to a nursing degree higher than that attained in the initial program;

(b) The student borrower is employed as a nurse in this state on at least a half-time basis; or

(c) The student borrower shows inability to locate suitable employment.

(4) Repayment commences under the usual terms if the student borrower ceases to be employed as a nurse in this state before

completing the practice requirements set forth in ORS 348.115 (4).

(5) Repayment shall be completed in a maximum of 120 months from the time repayment is commenced. However, nothing in this subsection is intended to prevent repayment without penalty at an earlier date than provided in this subsection or to prohibit the State Scholarship Commission from extending the repayment period to a date other than specified by this subsection.

(6) A student who borrows under ORS 348.115 shall have 100 percent of principal and accrued interest on loans under this section, ORS 348.115, 352.095, 442.470, 442.520, 442.550 to 442.560, 442.570 and 656.256 canceled if it can be documented that, within five years of graduation, the student has completed one calendar year of full-time employment as a nurse in the State of Oregon for each academic year in which a loan was received.

(7) A student who borrows under this section, ORS 348.115, 352.095, 442.470, 442.520, 442.550 to 442.560, 442.570 and 656.256 and completes at least one calendar year of the practice obligation described in subsection (6) of this section shall have the amount of principal and accrued interest on loans under this section, ORS 348.115, 352.095, 442.470, 442.520, 442.550 to 442.560, 442.570 and 656.256 canceled for each calendar year of qualifying practice, equal to the principal and accrued interest on the loan borrowed for the comparable academic year of award.

(8) Repayment of any remaining principal and interest shall be waived upon the death or total and permanent disability of the student borrower. [1991 c.947 §17]

OREGON TEACHER CORPS

348.120 Creation of Oregon Teacher Corps; availability of funds. (1) There is hereby created an Oregon Teacher Corps program to encourage the entry of certain qualified persons into the teaching profession through the use of forgivable student loans for those who complete three years of successful teaching in a public school in this state.

(2) All programs in ORS 336.705 to 336.785, 342.782 to 342.796 and 348.120 to 348.135 are subject to the availability of funds appropriated therefor. [1987 c.896 §§24, 28]

348.125 Administration by State Scholarship Commission; eligibility. (1) The State Scholarship Commission shall administer the Oregon Teacher Corps program insofar as practicable in the same manner as

the loan program under ORS 348.050 is administered and make rules for the selection of qualified applicants.

(2) Eligibility for the Oregon Teacher Corps is limited to those prospective teachers whom the State Scholarship Commission determines to have graduated, or currently rank, in the top 20 percent of their high school or college class. The commission shall assess each applicant's potential for teaching through such means as essays written by the applicant, letters of recommendations from teachers and others, descriptions of relevant teaching experiences, and other appropriate measures. Allowance shall be given for those applicants whom the commission determines to be in at least one of the following categories:

(a) Minority individuals as defined in ORS 200.005;

(b) Prospective teachers in scarce indorsement areas, as defined by the Teacher Standards and Practices Commission; or

(c) Prospective teachers who agree to teach in remote and difficult to serve school districts in this state.

(3) Recipients of loans under ORS 336.705 to 336.785, 342.782 to 342.796 and 348.120 to 348.135 shall be enrolled at least half time in an approved teacher education program at an Oregon institution of higher education. [1987 c.896 §25; 1991 c.67 §89]

348.130 Loans; amounts; interest; repayment; waiver of repayment. (1) Upon approval of the loan application of an eligible student by the State Scholarship Commission, the commission may loan an amount from the Oregon Teacher Corps Account to the student in compliance with this section. The loan shall be evidenced by a written obligation but no additional security shall be required. Notwithstanding any provision in this section, the commission may require cosigners on the loans.

(2) Loans granted under this section to eligible students by the commission shall:

(a) Not exceed \$2,000 in a single academic year to an undergraduate student enrolled in a teacher education program leading to a basic license.

(b) Not exceed \$4,000 in a single academic year to a graduate student enrolled in a teacher education program leading to a basic license.

(c) Not exceed \$8,000 for all loans made to a student under this section.

(3) Borrowers are required to pay at least seven percent interest per annum on the unpaid balance from the date of the loan as provided in subsection (4) of this section.

(4)(a) Repayment of the principal and accruing and deferred interest on loans shall be commenced not later than 12 months after the student's completion of the teacher education program or other termination of the student's education. Repayment of loans under ORS 348.125 shall be delayed for the period of time the student is teaching at least half time in a public school in this state but becomes payable under the usual terms if the student ceases teaching before completing three full years. Repayment of loans shall be delayed up to three years upon application of the borrower showing inability to locate suitable employment.

(b) Repayment shall be completed in a maximum of 120 months from the time repayment is commenced. However, nothing in this section is intended to prevent repayment without penalty at an earlier date than provided in this section or to prohibit the commission from extending the repayment period to a date other than permitted by this subsection.

(5)(a) An eligible student who receives a loan under this section, preparing to be an elementary or secondary school teacher in this state, is not required to repay a loan made under this section if the student completes:

(A) At least three years of equivalent full-time teaching in a public elementary or secondary school within the five-year period following completion of the teacher education program in this state; or

(B) At least three years of teaching under a full-time contract working at least three-fourths time in classroom teaching and no more than one-fourth time not in classroom teaching duties during regular school hours in a public elementary or secondary school within the five-year period following completion of the teacher education program in this state, as approved by the State Scholarship Commission upon written request of the borrower.

(b) Repayment of remaining principal and interest shall be waived upon the death or total and permanent disability of the borrower. [1987 c.896 §26; 1989 c.159 §1]

348.135 Oregon Teacher Corps Account; continuous appropriation. (1) There is established in the State Treasury separate from the General Fund an account to be known as the Oregon Teacher Corps Account into which shall be deposited all repayments of loans with interest to the State Scholarship Commission pursuant to ORS 348.130. Any interest accruing to the account shall be credited thereto.

(2) Amounts in the account established under subsection (1) of this section are con-

tinuously appropriated to the State Scholarship Commission for the purposes of ORS 336.705 to 336.785, 342.782 to 342.796 and 348.120 to 348.135. [1987 c.896 §27]

SCHOLARSHIPS AND GRANTS

348.205 Policy. It is the intention of the Legislative Assembly to establish two types of student aid programs for those enrolled in community colleges and institutions of higher education. The need grant program shall be based on the student's financial situation. The scholastic grant program will be based on the student's financial need and academic aptitude and achievement. Existing programs will be discontinued as the new programs are funded. [1971 c.735 §1]

348.210 Scholarships at Eastern Oregon State College; scholarships for certain foreign students. (1) In addition to any other scholarships provided by law, the State Scholarship Commission may award scholarships in Eastern Oregon State College, not to exceed two and one-half percent of the enrollment therein, to resident undergraduate students applying for enrollment in the college or who are pursuing courses therein. The scholarships shall be awarded upon the basis of a record of high intellectual standing and deportment in the school or institution where the applicant has received or is receiving preparatory training, the necessity for financial assistance and other qualifications of such nature that the awarding of scholarships will operate not only to the advantage of the applicant but to the people of Oregon. No scholarships so awarded shall exceed in value the amount of the tuition and other fees, including the fees which are levied against the recipient of the scholarship by the State Board of Higher Education at the college.

(2) The commission may award tuition and fee-exempting scholarships not exceeding the amount of tuition and all fees to students from foreign nations who are enrolled in state institutions of higher education.

(3) The value of scholarships awarded each year under subsection (2) of this section shall not exceed in aggregate an amount equal to 10 percent of the amount of tuition and fees paid in the preceding year to the Department of Higher Education by students enrolled therein who were not Oregon residents. [Formerly 351.120 and then 351.605; 1967 c.530 §6; 1971 c.735 §2; 1973 c.721 §1]

348.220 [Formerly 351.610; 1967 c.530 §7; repealed by 1971 c.735 §10]

348.230 Scholastic grants at institutions of higher education and community colleges; qualified applicants; renewals. (1) In addition to any other finan-

cial aid provided by law, the State Scholarship Commission may award to qualified residents of this state scholastic grants in any two-year or four-year, nonprofit, generally accredited institution of higher education located in this state, and in any community college located in this state.

(2) A qualified applicant is one who has an achievement of high intellectual standing and deportment in the school or institution on the records of which the application is based, and who demonstrates, to the satisfaction of the commission, that the applicant has superior capacity to profit by post-high school education.

(3) If the recipient of a grant under this section meets the standards for renewal of that grant, the grant may be renewed, upon application of the recipient, until the recipient has received a total of four undergraduate years under this section or until the recipient has completed an undergraduate course of study, whichever is less.

(4) Nothing in subsection (3) of this section shall be construed to mean that the commission may not increase or reduce the amount of the grant upon application for renewal.

(5) No grant shall be made to any student enrolled in a course of study required for and leading to a degree in theology, divinity or religious education. [Formerly 351.620; 1971 c.735 §3; 1973 c.721 §2; 1977 c.725 §3; 1989 c.845 §1]

348.240 [Formerly 351.625; repealed by 1971 c.735 §10]

348.250 Procedure for awarding scholastic grants under ORS 348.230. (1) Grants established under ORS 348.230 and 348.260 shall be awarded by the State Scholarship Commission in the manner provided in this section.

(2) Persons interested in obtaining a grant established under ORS 348.230 and 348.260 may apply to the commission for a grant.

(3) The commission shall screen or cause to be screened the applications and shall determine for each available grant the person best qualified to receive that grant. A qualified applicant is eligible to receive a grant established under ORS 348.230 and 348.260 if:

(a) The applicant's financial resources are such that in the opinion of the commission financial aid is warranted; and

(b) The applicant plans to be a student at the institution of higher education where the grant is to be used.

(4) The commission shall not discriminate for or against any applicant for a grant because of the applicant's race, sex, national

origin, marital status, age, handicap or religion.

(5) Nothing in ORS 348.210 to 348.260 and 348.505 to 348.590 shall be construed to require any institution to admit a grant recipient or to attempt to control or influence the policies of the institution.

(6) Whenever funds are not available to award grants to all qualified persons, the commission shall give priority to applicants who are or plan to be full-time students at the institution where the grant is to be used. [Formerly 351.630; 1973 c.721 §3; 1977 c.725 §4]

348.260 Grants for students in institutions of higher education, community colleges, medical and dental schools and post-secondary institutions. (1) In addition to any other form of student financial aid authorized by law, the State Scholarship Commission may award grants to qualified residents of this state in any two-year or four-year, nonprofit, generally accredited institution of higher education located in this state, in any community college located in this state, and any student enrolled in any medical, nursing or dental program offered by the Oregon Health Sciences University. Grant funds necessary to meet matching requirements for federal funds under the State Student Incentive Grant program may also be used to award grants to qualified residents of this state in any post-secondary institution approved by the commission.

(2) A qualified applicant for a grant is one who meets the academic requirements for admission to the institution or college the applicant plans to attend but whose financial capacity and that of the applicant's family to contribute to the costs of the applicant's education are not adequate to meet such costs, including tuition, fees and living expenses, at the institution or college the applicant plans to attend, as determined by the State Scholarship Commission.

(3) If the student who receives a grant under this section meets the standards for renewal of the grant, the grant may be renewed upon application until the student has received the total of four undergraduate years in the institution or has completed the course of study at the school of nursing.

(4) A student who receives a grant under this section must attend the institution, college or school upon which the grant application is based unless the State Scholarship Commission authorizes the grant to be used at a different institution, college or school.

(5) No grant shall be made to any student enrolled in a course of study required for and leading to a degree in theology, divinity or religious education.

(6) No grant awarded under this section shall exceed 50 percent of the student's financial need, as determined by the State Scholarship Commission, or \$2,500, whichever is less. [1971 c.735 §4; 1973 c.721 §4; 1977 c.725 §5; 1977 c.762 §8; 1987 c.175 §1; 1989 c.845 §2]

348.265 Grants for students of Oregon Health Sciences University. (1) In addition to any other form of student financial aid authorized by law, the State Scholarship Commission may award grants to qualified residents of this state who are enrolled in the professional medical, nursing or dental programs at the Oregon Health Sciences University.

(2) A qualified applicant for a grant under this section is one who plans to attend the Oregon Health Sciences University but whose financial capacity and that of the applicant's family to contribute to the educational costs are not adequate to meet such costs, as determined by the State Scholarship Commission.

(3) Grants may be received by a student each year of attendance depending on the continuing need of the student for such grant.

(4) No grant awarded under this section shall exceed the amount of the difference between the award year tuition and fees assessed and the tuition and fees assessed for that program in the academic year 1976-1977. [1977 c.762 §9; 1989 c.845 §4]

348.270 Scholarships for children of deceased or disabled peace officer. (1) In addition to any other scholarships provided by law, the State Scholarship Commission shall award scholarships in any state institution under the State Board of Higher Education or in any community college operated under ORS chapter 341, to any student applying for enrollment or who is enrolled therein, who is the natural, adopted or stepchild of any peace officer in this state, as defined in ORS 161.015 (4), who, in line of duty, was killed or so disabled, as determined by the State Scholarship Commission, that the income of the disabled peace officer is less than that earned by peace officers performing duties comparable to those performed at the highest rank or grade attained by the disabled parent.

(2) Scholarships awarded under this section shall equal the amount of tuition and all fees levied by the institution against the recipient of the scholarship. If the student continues to remain enrolled in a state institution of higher education or a community college within the State of Oregon, the student shall be entitled to renewal of the scholarship until the student has received

the equivalent of four years of undergraduate education.

(3) The State Scholarship Commission may require proof of the student's relationship to a deceased or disabled peace officer described in subsection (1) of this section. [1973 c.784 §1; 1977 c.725 §6]

348.280 Determination of eligibility for scholarships under ORS 348.270. The State Scholarship Commission shall:

(1) Determine which students are eligible beneficiaries.

(2) Grant the appropriate scholarships under ORS 348.270.

(3) Make necessary rules for application and distribution of the benefits available under ORS 348.270 and this section.

(4) Establish rules and procedures necessary to carry out the provisions of ORS 348.270 and this section, including but not limited to the usual and customary rules for analyzing financial need.

(5) In awarding scholarships pursuant to its authority under ORS 348.520, the State Scholarship Commission shall give priority to students who are eligible for scholarships under ORS 348.270 (1) and (2). [1973 c.784 §2, 3]

348.290 Financial aid to study barbering, hairdressing, manicure and facial technology. The State Scholarship Commission shall apply the interest on the amount transferred to the State Scholarship Commission Fund under section 4, chapter 377, Oregon Laws 1985, to provide financial aid, as defined in ORS 348.505, to students to study barbering, hairdressing, manicure and facial technology at eligible post-secondary schools. [1985 c.377 §3; 1987 c.31 §19]

348.300 [1973 c.791 §1; repealed by 1977 c.725 §8]

348.305 [1969 c.624 §1; repealed by 1971 c.735 §10]

RURAL MEDICAL EDUCATION LOANS

348.310 Loans for medical study. (1) The State Scholarship Commission is authorized to make loans to all qualified applicants, from the fund created in ORS 348.390 (1), to assist in financing the cost of a program of study leading to the degree of Doctor of Medicine or to the degree of Doctor of Osteopathic Medicine.

(2) The State Scholarship Commission shall:

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

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

(c) Adopt such rules as may be necessary to implement ORS 348.310 to 348.390. [1979 c.532 §2]

348.315 [1969 c.624 §2; repealed by 1971 c.735 §10]

348.320 Eligibility for loans; application; written agreement. (1) A person shall be eligible for a loan under ORS 348.310 to 348.390 if the person is:

(a) A bona fide resident of this state;

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

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

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

(2) The person desiring consideration for a loan under ORS 348.310 to 348.390 shall apply to the State Scholarship Commission.

(3) The person desiring consideration for a loan under ORS 348.310 to 348.390 shall agree in writing to practice medicine in a medical shortage area as defined by the Director of Human Resources, for a period equal to the period covered by the loan, but no less than two years. [1979 c.532 §4; 1987 c.660 §17]

348.325 [1969 c.624 §3; repealed by 1971 c.735 §10]

348.330 Amount of loans. In addition to any other financial aid provided by law, the State Scholarship Commission may grant loans in the following amounts:

(1) Persons in their first or second year of study, or the equivalent thereof, are eligible for an amount not to exceed \$5,000 per academic year.

(2) Persons in their third or fourth year of study, or the equivalent thereof, are eligible for an amount not to exceed \$7,500 per academic year. [1979 c.532 §5]

348.335 [1969 c.624 §4; repealed by 1971 c.735 §10]

348.340 Cost-sharing community loan fund program; repayment; exception. (1) The State Scholarship Commission is further authorized to establish and administer cost-sharing loan fund programs which provide for assistance, in conjunction with community agencies or organizations, selected and approved by the commission in a rural community in the state having a population of fewer than 7,500 persons. Participation in such a program shall be on a matching funds basis between the Rural Medical Education Loan Fund and the approved community

agency and shall fund the educational costs, fees and charges of a specific, eligible student, who shall be approved by the participating community and the State Scholarship Commission.

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

(3) The eligibility requirements for persons participating in the program established in subsection (1) of this section shall be the same as the requirements for eligibility in the loan program under ORS 348.320.

(4) Upon completion of the program of study and training for licensure, the person receiving funds under this section shall not be required to repay such funds if the person practices medicine in the community providing the matching funds. The person shall practice medicine one year for each year that funds were provided, but in no event shall the person practice less than two years. [1979 c.532 §8]

348.345 [1969 c.624 §5; repealed by 1971 c.735 §10]

348.350 Cost-sharing hospital loan fund program; limitation; admission to family practice programs. (1) The State Scholarship Commission is authorized to establish and administer a cost-sharing program to train intern and residency physicians as may be arranged by contract with an accredited training hospital within this state. The cost sharing shall be limited to general practice internships and family practice residencies. The commission may pay up to \$18,000 to an institution for each intern or resident position which is reserved for training students who are planning to enter medical practice in rural areas.

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

(3) No money appropriated under this section shall be used for any program at the Oregon Health Sciences University. The center shall be required to give priority admissions to recipients under ORS 348.310 to 348.390 in its family practice residency programs. [1979 c.532 §10]

348.355 [1969 c.624 §6; repealed by 1971 c.735 §10]

348.360 Renewal of loans. Each loan granted under ORS 348.330 and 348.340 is renewable annually. The State Scholarship Commission shall renew the loans upon application by the recipient when the commission finds that the applicant has successfully completed the required work for the preced-

ing academic year and is a student in good standing, is a resident of this state and is in a financial condition that warrants the continuation of such aid. [1979 c.532 §6]

348.365 [1969 c.624 §8; repealed by 1971 c.735 §10]

348.370 Repayment of loans; interest; conditions; exemption. (1) Persons receiving funds under ORS 348.310 to 348.390 shall not be required to repay the funds if the person practices medicine in a rural community in this state having a population of fewer than 7,500 persons and which meets the qualifications of a medical shortage area.

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

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

(4) Any person receiving funds under ORS 348.310 to 348.390 who completes the course of study and requirements for licensure but fails to fulfill the obligations required by the loan, shall repay the amount received to the Rural Medical Education Loan Fund. Ten percent interest shall be charged on the unpaid balance, accrued from the date the loan was granted. Additionally, a penalty fee, equal to 25 percent of the total amount of funds received shall be assessed against the person. No interest shall accrue on the penalty.

(5) Any funds received by the Rural Medical Education Loan Fund under subsections (3) to (6) of this section shall be used by the State Scholarship Commission for the purpose of carrying out the provisions of ORS 348.310 to 348.390.

(6) The State Scholarship Commission may waive any interest or penalty assessed under subsections (3) to (6) of this section in case of undue hardship. [1979 c.532 §§7, 9]

348.375 [1969 c.624 §9; repealed by 1971 c.735 §10]

348.380 State Rural Medical Education Committee; membership; term; expenses; qualifications. (1) There is created a State Rural Medical Education Committee consisting of seven members, appointed by the Governor, to assist and advise the State

Scholarship Commission in implementing the provisions of ORS 348.310 to 348.390.

(2) The committee shall consist of two persons holding the degree of Doctor of Medicine, two persons holding the degree of Doctor of Osteopathic Medicine and three laypersons.

(3) The term of office of a member of the committee is four years and the member shall serve at the pleasure of the Governor. Before the expiration of the term of a member, the Governor shall appoint a successor to succeed the member whose term is expiring. A successor appointed for a full term shall assume committee member duties on July 1, following the appointment. In case of a vacancy for any cause, except when the vacancy is caused by the normal expiration of a member's term, the Governor shall make an appointment to become effective immediately, for the unexpired term.

(4) A member of the committee is entitled to no compensation but may receive reimbursement for expenses pursuant to ORS 292.495. Such expenses shall be paid from the Rural Medical Education Loan Fund.

(5) Of the seven members:

(a) At least one of the four medical persons shall be a physician who practices medicine in areas defined as medical shortage areas by the Director of Human Resources.

(b) At least two of the three laypersons shall be persons who reside in areas defined as medical shortage areas by the Director of Human Resources. [1979 c.532 §3; 1987 c.660 §18]

348.390 Rural Medical Education Loan Fund; sources; use. (1) There is established in the State Treasury a fund, separate and distinct from the General Fund, to be known as the Rural Medical Education Loan Fund, which may be invested in the same manner as the State Scholarship Commission Fund. This fund may receive funds from state and private sources for the purpose of making loans to student residents of this state who are determined to be eligible to receive funds under ORS 348.310 to 348.390. Interest earned by the fund shall be credited to the fund.

(2) All funds for and relating to loans received by the State Scholarship Commission, including repayments, interest and penalties, for the Rural Medical Education Loan Fund, except moneys appropriated from the State Treasury for a specified period of time, are continuously appropriated to the Rural Medical Education Loan Fund for the purposes for which the fund was created. [1979 c.532 §§1, 12; 1989 c.966 §31]

VOLUNTEERS IN SERVICE TO OREGON VOUCHERS

348.405 Definitions for ORS 348.405 to 348.425. As used in ORS 348.405 to 348.425:

(1) "Commission" means the State Scholarship Commission.

(2) "Eligible institution" means any educational institution in Oregon certified as an eligible institution for student aid programs under Title IV, Part B, of the Higher Education Act of 1965 as amended, but only for undergraduate programs.

(3) "Eligible voucher recipient" means any Oregon resident who:

(a) Is 16 to 19 years of age, inclusive;

(b) Completes community service work in human integration activities within a nonprofit social service agency whose nonprofit status is verified; and

(c) Is enrolled in or plans to enroll in an eligible institution.

(4) "Human integration activities" means activities of social service agencies similar to, but not limited to, the provision of literacy education, family or parenting counseling, victim advocacy, emergency hotline services, tutoring and assistance in Head Start programs.

(5) "VISTO" means Volunteers in Service to Oregon. [1989 c.227 §2]

348.410 Volunteers in Service to Oregon voucher program. To encourage community service volunteerism among Oregon's youth 16 to 19 years of age inclusive, there is established a post-secondary education voucher program within the office of the State Scholarship Commission which shall be known as Volunteers in Service to Oregon. [1989 c.227 §1]

348.415 Voucher characteristics; funds not personal income; when available. (1) In addition to any other student assistance provided by law, the State Scholarship Commission shall award vouchers to eligible students participating in the VISTO program.

(2) The total of all vouchers earned by a VISTO volunteer under this section in any calendar year shall not exceed the amount equal to the average tuition and all fees charged annually by institutions under the State Board of Higher Education.

(3) Vouchers shall be provided in \$25 denominations to be awarded to a VISTO volunteer for each eight hours of eligible volunteer service.

(4) Any voucher awarded under the VISTO program shall expire five years after the date of issuance.

(5) The State Scholarship Commission shall:

(a) Provide vouchers to eligible community service organizations.

(b) Determine which community service organization and service within the programs of such organization are eligible for participation in the VISTO program.

(c) Determine which volunteers are eligible.

(d) Provide payment for vouchers presented by VISTO volunteers at eligible institutions.

(e) Establish procedures necessary to carry out the provisions of ORS 348.405 to 348.425.

(f) Adopt necessary rules for the program established by ORS 348.405 to 348.425.

(6) The funds received in redemption of the vouchers granted pursuant to ORS 348.405 to 348.425 shall not be considered personal income for the purposes of ORS 316.037.

(7) The vouchers authorized by ORS 348.405 to 348.425 shall first become available when funds are available therefor from sources other than the General Fund, as determined by the State Scholarship Commission. [1989 c.227 §§3, 4, 8]

348.420 VISTO Fund; sources; uses; limit on administrative expenditures. (1) There is established in the State Treasury, separate and distinct from the General Fund, a fund to be known as the VISTO Fund which may be invested in the same manner as the State Scholarship Commission Fund. The fund shall receive moneys from federal, state or private sources for the purpose of providing payments for redemption of VISTO vouchers, the administration of the VISTO program and grants made under ORS 348.260. The fund, including the interest earning thereon, if any, is continuously appropriated to the commission for those purposes for which such funds were provided to, received or collected by the commission.

(2) No more than five percent of the funds available under subsection (1) of this section shall be used for the administrative expenditures of the program established by ORS 348.405 to 438.425.

(3) The first priority of funds available under the program authorized by ORS 348.405 to 348.425 shall be for redemption of VISTO vouchers and the administration of the VISTO program. After meeting the demands for expenditures and fund reserves, excess funds may be used to supplement grants made under ORS 348.260. [1989 c.227 §§5, 7, 9]

Note: Section 16, chapter 668, Oregon Laws 1991, provides:

Sec. 16. Lottery proceeds used for funding. From the amount identified in section 14 (11) of this Act, there is reserved not to exceed \$50,000 for the State Scholarship Commission for the purposes of carrying out the program titled *Volunteers in Service to Oregon* as described in chapter 227, Oregon Laws 1989 [ORS 348.405 to 348.425], to be made available upon application of the commission to the Economic Development Department upon approval of the Emergency Board. [1991 c.668 §16]

348.425 Report. The commission shall report to the Legislative Assembly biennially on the progress of the VISTO program by submitting a report to the President of the Senate and the Speaker of the House of Representatives who shall refer the report to the appropriate substantive interim or standing committee. [1989 c.227 §6]

COMMUNITY SCHOLARSHIP FOUNDATIONS

Note: Sections 1 to 10, chapter 713, Oregon Laws 1991, provide:

Sec. 1. The purpose of the community scholarship foundation demonstration project is to provide one-time \$2,000 state-funded matching awards as an incentive to Oregon community scholarship foundations to raise money and award scholarships to community residents who wish to pursue higher education. The community scholarship foundation demonstration project encourages community organizations to generate local dollars to complement efforts funded by the state. [1991 c.713 §1]

Sec. 2. The State Scholarship Commission is charged with the administration of community scholarship foundation demonstration projects designed to prepare and assist persons to obtain a higher education in this state. [1991 c.713 §2]

Sec. 3. As used in this Act:

(1) "Commission" means the State Scholarship Commission.

(2) "Community scholarship foundation" means a nonprofit, community-based organization recognized as tax exempt under section 501 (c)(3) of the Internal Revenue Code of 1986, formed in part or in full for the purpose of providing higher education scholarships for local residents.

(3) "Institutions for higher education" or "institution" means a degree-granting college or university in this state that is certified as an eligible institution for student aid programs under Title IV Part B, of the Higher Education Act of 1965, as amended, but only for undergraduate programs.

(4) "Matching award" means the state-appropriated funding for one-time \$2,000 grants available to selected eligible community scholarship foundations that raise at least \$2,000 for student scholarships. [1991 c.713 §3]

Sec. 4. To be eligible to apply for a matching award, a community organization must:

(1) Establish a community scholarship foundation demonstration project and, after June 30, 1991, raise at least \$2,000 for student scholarships;

(2) Obtain and maintain tax exempt status under section 501 (c)(3) of the Internal Revenue Code of 1986 for the fund supporting the student scholarship demonstration project;

(3) Award student scholarships without regard to age, sex, marital status, race, creed, color, religion, na-

tional origin or the presence of any mental, sensory or physical disability; and

(4) Have not previously received a matching award from the demonstration project authorized by this Act. [1991 c.713 §4]

Sec. 5. Community organizations that meet eligibility criteria under section 4 of this Act shall be considered for selection after they complete an application for the matching award on a form provided by the State Scholarship Commission. [1991 c.713 §5]

Sec. 6. Community organizations that meet the eligibility criteria under section 4 of this Act shall be selected for a matching award, during the community scholarship foundation demonstration project period, in the following priority order:

(1) Organizations that after June 30, 1991, begin a demonstration project, establish a nonprofit, community scholarship foundation recognized as tax exempt under section 501 (c)(3) of the Internal Revenue Code of 1986, and raise \$2,000 to be used for student scholarships.

(2) Organizations that have had prior scholarship programs but reorganize after June 30, 1991, to meet the eligibility criteria of the demonstration project and raise \$2,000 to be used for student scholarships.

(3) Organizations that had scholarship programs and met the eligibility criteria of the demonstration project prior to June 30, 1991, and raise an additional \$2,000 for student scholarships after June 30, 1991.

(4) Organizations that:

(a) Solicit broad-based community support in their fund-raising activities and are representative of the community in their structure;

(b) Conduct fund-raising activities with volunteers and not with paid or contracted fund-raisers; and

(c) Have a primary focus of awarding scholarships to Oregon residents attending Oregon institutions of higher education. [1991 c.713 §6]

Sec. 7. (1) The community scholarship foundation matching award is a one-time \$2,000 grant based on available funding.

(2) The State Scholarship Commission shall disburse matching awards of \$2,000 to the selected community scholarship foundations. [1991 c.713 §7]

Sec. 8. Community organizations shall submit, on a form provided by the State Scholarship Commission, reports of scholarships awarded from their \$2,000 contribution and the \$2,000 matching award. Reporting information shall include, but is not limited to, the names and addresses of the recipients, scholarship amounts and the institution the recipient plans to attend. [1991 c.713 §8]

Sec. 9. The community organization may request in writing a review of any adverse decision affecting it by requesting such review within 20 days of the adverse decision, addressed to the office of the State Scholarship Commission. The review shall be handled by hearing procedures as described in ORS 183.310 to 183.550. [1991 c.713 §9]

Sec. 10. The community scholarship foundation demonstration project period shall end June 30, 1993. [1991 c.713 §10]

COORDINATION OF CONTINUING EDUCATION

348.450 Definition for ORS 348.460. (1) For the purposes of ORS 348.460, "continuing education" means organized instruction to serve the needs of post-secondary students, including but not limited to:

(a) Courses as offered to the regular full-time resident post-secondary student consisting of vocational preparatory courses and vocational supplementary, technical, academic and professional courses;

(b) Developmental education, consisting of adult basic education, high school completion courses, instruction to pass the General Education Development Examination for a high school diploma, English as a second language instruction, and remedial instruction;

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

(d) Hobby and recreation activities.

(2) "Continuing education" for an institution under the jurisdiction of the State Board of Higher Education, except the Oregon Health Sciences University and Eastern Oregon State College, is limited to instruction scheduled to be held at least 30 miles beyond the campus of the institution offering such instruction.

(3) "Continuing education" for a community college is limited to instruction within district boundaries and instruction outside district boundaries offered under contract. [1978 s.s. c.1 §1]

348.460 Coordination of continuing education. (1) The State Board of Education shall coordinate continuing education in lower division, developmental, adult self-improvement, vocational and technical education for agencies under its regulatory authority. The State Board of Higher Education shall coordinate continuing education in upper division and graduate education for institutions under its jurisdiction.

(2) Where significantly adverse impact is alleged by one or more of the agencies listed in this subsection, the affected parties jointly shall provide for written agreements. These agreements shall allocate responsibility for planning and providing continuing education or off-campus instruction in specific areas or by specific types. The agencies are:

- (a) State Board of Education.
- (b) State Board of Higher Education.
- (c) Community college district.
- (d) Independent college.
- (e) Proprietary school.

(3) In the event the affected parties fail to reach a written agreement within 120 days following receipt of written notice of the allegation, either party may request the Oregon Office of Educational Policy and Planning to review and to recommend resolution.

(4) Nothing in this section prohibits the offering of upper division or graduate programs within 30 miles of the campus of the Department of Higher Education institution offering the program, or the offering of lower division programs within 30 miles of the campus offering the program in areas outside a community college district. Such programs are entitled to the same college credit and financial support as programs offered on the campus of the institution. [1978 s.s. c.1 §2]

COOPERATION BETWEEN STATE SYSTEM OF HIGHER EDUCATION AND COMMUNITY COLLEGES

348.470 Legislative findings; cooperation between State System of Higher Education and community colleges. The Legislative Assembly finds and declares that:

(1) It is the policy of this state to encourage cooperation between the State System of Higher Education and community colleges on issues affecting students who transfer between the two segments; and

(2) All unnecessary obstacles that restrict student transfer opportunities between the two segments shall be eliminated. [1987 c.375 §1]

STATE SCHOLARSHIP COMMISSION

(Administration)

348.505 "Financial aid" defined. As used in ORS 348.505 to 348.695, "financial aid" includes loans, grants, scholarships, work opportunities and other forms of financial aid to assist students in completing their post-high school education. [1967 c.430 §2]

348.510 State Scholarship Commission; term; vacancy; confirmation; qualifications. (1) There hereby is created a State Scholarship Commission consisting of seven members, appointed by the Governor.

(2) The term of office of a member of the commission is four years, except that the term for the student member shall be two years, and, after confirmation of the appointment by the Senate, the member shall serve at the pleasure of the Governor. Before the expiration of the term of a member, the Governor shall appoint a successor to succeed the member whose term is expiring. A successor appointed for a full term shall assume commission member duties on July 1 following the appointment. A member is eligible for reappointment. The student member is limited to reappointment to one two-year term. In case of a vacancy on the commission for any cause, except where the vacancy is caused by the normal expiration of a member's term, the Governor shall make an appointment to become immediately effective for the unexpired term.

(3) The appointment of a member of the commission is subject to confirmation by the Senate in the manner provided in ORS 171.562 and 171.565.

(4) One member of the commission shall be a student at an institution of higher education or community college in Oregon at the time of appointment, with the duly organized and recognized entities of student government at each institution of higher education or community college submitting the name of one student to the Governor to assist the Governor in making the appointment. Other members of the commission shall be citizens of the state chosen for their knowledge of and interest in education, but these other members shall not be persons employed by any institution of higher education or community college located in the state. [Formerly 351.635; 1967 c.430 §3; 1969 c.695 §5; 1975 c.151 §1; 1977 c.725 §7; 1985 c.565 §61]

348.520 Duties. The State Scholarship Commission shall:

(1) Make available to qualified persons financial aid from financial sources available to the commission.

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

(3) Maintain reports and records on persons applying for and receiving financial aid from the commission.

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

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

(6) Encourage the establishment of financial aid programs by private agencies.

(7) Collect and disseminate information pertaining to all types of available financial aid.

(8) Serve as an advisory council to the Oregon Office of Educational Policy and Planning.

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

(10) Disburse state appropriations for financial aid in such a manner as to maximize its role in cooperative coordination of financial aid programs. [Formerly 351.640; 1967 c.430 §4; 1973 c.815 §4]

348.530 Powers. The State Scholarship Commission may:

(1) Negotiate for and contract with private and governmental agencies for the establishment of financial aid programs.

(2) Receive gifts of any type, including gifts of stock and real property, for the purpose of establishing, continuing and increasing financial aid.

(3) Administer any form of financial aid submitted to and accepted for administration by the commission.

(4) Authorize payment from funds appropriated therefor, of costs, commissions, attorney fees and other reasonable expenses, including refund of overpayment of fees, which are related to and necessary for making and protecting guaranteed loans and recovering moneys and loans and management of property acquired in connection with such loans.

(5) Sue and be sued.

(6) Pursuant to ORS 183.310 to 183.550, adopt such rules as may be necessary to carry out the provisions of ORS 348.040 to 348.280 and 348.505 to 348.695.

(7) Cooperatively coordinate all types of financial aid activities.

(8) Establish a State of Oregon scholar program to recognize students with outstanding academic achievement and other demonstrated attributes. The students will not necessarily receive financial aid.

(9) Guarantee loans by eligible lending institutions to student residents of the State of Oregon who are enrolled or accepted for enrollment at any eligible institution, non-resident students enrolled or accepted for enrollment in an institution of higher education or community college in Oregon, and parents of those students, under the provisions of the Higher Education Act of 1965 as amended.

(10) Deny financial aid to any student owing a refund or in default on financial aid previously made available to that student. [Formerly 351.645; 1967 c.430 §5; 1973 c.721 §5; 1977 c.725 §9; 1981 c.209 §1; 1987 c.48 §1]

348.540 Officers of commission; quorum; meetings. (1) The commission shall select one of its members as chairman, and another as vice chairman, for such terms and with such powers and duties necessary for the performance of the functions of such offices as the commission shall determine.

(2) A majority of the commission constitutes a quorum for the transaction of business.

(3) The commission shall meet at the call of the chairman or of a majority of the members of the commission. [Formerly 351.650]

348.550 Compensation and expenses of commission members. A member of the commission is entitled to compensation and expenses as provided in ORS 292.495. [Formerly 351.655; 1969 c.314 §24]

348.560 Staff; office space. Subject to any applicable provisions of the State Personnel Relations Law, the commission may employ and fix the compensation of any employees it deems necessary for the effective conduct of the work under its charge. The commission may also arrange with the State System of Higher Education for use of staff and office space under the jurisdiction of the State System of Higher Education. [Formerly 351.660]

348.570 State Scholarship Commission Fund; Student Loan Guarantee Fund; Alternative Student Loan Program Fund. (1) There is established in the State Treasury a fund, separate and distinct from the General Fund, to be known as the "State Scholarship Commission Fund" for investment as provided by ORS 293.701 to 293.776, 293.810 and 293.820 and for the payment of the expenses of the commission in carrying out the purposes of ORS 348.210 to 348.250 and 348.505 to 348.590. Interest earned by the fund shall be credited to the fund.

(2) There is established in the State Treasury a fund, separate and distinct from the General Fund to be known as the "Student Loan Guarantee Fund," which may be invested in the same manner as the State Scholarship Commission Fund. This fund shall receive funds from federal, state or private sources for the purpose of guarantying payment of loans made by eligible lending institutions to student residents of the State of Oregon who are enrolled or accepted for enrollment at any eligible institution, non-resident students enrolled or accepted for enrollment in an institution of higher education or community college in Oregon, and parents of those students, under the provisions of the Higher Education Act of 1965 as amended and for administrative expenses of guarantying loans. This fund, including the interest earnings on the fund, if any, is continuously appropriated to the commission for those purposes for which such funds were provided to, received or collected by the commission.

(3) There is established in the State Treasury a fund, separate and distinct from the General Fund, to be known as the "Alternative Student Loan Program Fund" for investments as provided by ORS 293.701 to 293.776, 293.810 and 293.820 and the payment of expenses by the State Scholarship Commission in carrying out the purposes of ORS 348.625 to 348.695. This fund, including the interest earnings on the fund, if any, is con-

tinuously appropriated to the commission for those purposes for which such funds were provided to, received or collected by the commission. [Formerly 351.665; 1967 c.335 §41; 1967 c.430 §§6, 7; 1969 c.573 §4; 1975 c.520 §5; 1977 c.725 §10; 1981 c.209 §2; 1983 c.639 §1; 1987 c.48 §2; 1987 c.842 §18; 1989 c.966 §32]

348.575 Crediting of late loan repayments. The amount of any loan payments that are paid after the State Scholarship Commission has disbursed funds from any guaranty funds under its jurisdiction to reimburse a lending institution which the lender has failed to repay on time shall be credited to the guaranty funds or the Student Loan Guarantee Fund, from which the reimbursement was made. [1969 c.573 §2; 1983 c.639 §2; 1985 c.565 §62]

348.580 Use of gifts or funds received by commission. All gifts or scholarship grant funds received by the commission shall be placed in the hands of the State Treasurer, who is designated as the custodian thereof and who may hold, in the manner provided by law, the principal and interest on the gifts and grants. Funds may be withdrawn periodically by the commission to provide for administrative expenditures and make payments upon scholarships awarded by the commission. [Formerly 351.670; 1967 c.335 §42; 1987 c.394 §6]

348.590 Continuous appropriation of certain funds. All funds for and relating to student aid programs received by the State Scholarship Commission pursuant to federal grant or from any other source, except moneys appropriated from the State Treasury for a specified period of time, hereby are continuously appropriated to the commission for the purposes for which such funds were provided and received by the commission. [Formerly 351.672; 1987 c.394 §7]

348.600 [Formerly 351.675; repealed by 1977 c.725 §11]

348.610 [1967 c.430 §8; repealed by 1971 c.577 §3]

348.620 Loan cancellation insurance. (1) The State Scholarship Commission may obtain loan cancellation insurance for any person holding a loan under this section and ORS 348.505 to 348.530 and 348.570.

(2) Such insurance shall insure the life of the student who borrows under this section and ORS 348.505 to 348.530 and 348.570 for the amount of the principal and interest due on the loan and the State of Oregon shall be named as the beneficiary. If the borrower dies before repaying the loan, the insurance shall be used to pay the balance of the loan and the commission shall issue a satisfaction of the obligation.

(3) The Executive Department shall procure bids for the purchasing of insurance in compliance with the laws governing the pur-

chase and furnishing of services to state agencies. [1967 c.430 §9; 1971 c.577 §2]

(Alternative Student Loan Program)

348.625 Definitions for ORS 348.570 and 348.625 to 348.695. As used in ORS 348.570 and 348.625 to 348.695:

(1) "Alternative student loan program" means a program established by the commission to fund loans to eligible students, or to qualifying parents of eligible students, to help meet expenses of eligible students of attending post-secondary educational institutions; provided, however, that alternative student loan program loans may be made only to students who have applied for student financial aid under Title IV, Part B of the Higher Education Act of 1965, as amended, and have received information on their eligibility for programs under that Act, or the parents of students who have made such application and received such information.

(2) "Commission" means the State Scholarship Commission.

(3) "Eligible student" means a student enrolled in an eligible post-secondary educational institution located in Oregon or a student who is an Oregon resident and who is enrolled in an eligible post-secondary educational institution located outside of Oregon. The commission shall determine, among other things, what constitutes enrollment and which post-secondary educational institutions are eligible institutions under the alternative student loan program.

(4) "Lender" means a private sector bank or national bank as defined in ORS 706.005, or a savings association as defined in ORS 722.004, which is authorized to do business in Oregon and which has entered into an agreement with the commission to originate, service and administer alternative student loans in the manner authorized by ORS 348.570 and 348.625 to 348.695. [1987 c.842 §2; 1989 c.131 §1]

348.630 Eligible recipients; limitations; credit check. (1) Loans may be made under the alternative student loan program to an eligible student or to a parent of an eligible student.

(2) Loans made under the alternative student loan program shall not exceed the eligible costs of education as determined by the commission, minus other financial aid received, or \$10,000, whichever is less, for any eligible student during a single calendar year. Total loans made for any eligible student under the alternative student loan program shall not exceed \$40,000.

(3) Under the alternative student loan program, borrowers shall undergo a credit check by the lender or by the commission and shall be creditworthy or provide a creditworthy cosigner. [1987 c.842 §3]

348.635 Establishment of loan terms and conditions. In consultation with private sector lenders, the commission shall establish the terms and conditions, including but not limited to maturities and repayment provisions, of student loans for which the commission shall provide funding. The commission may also set standards of academic achievement which borrowers must maintain to receive loans. [1987 c.842 §4]

348.640 Administration of loans by private lenders; repayment to state; risk of loss. (1) The commission shall provide funding to lenders pursuant to contracts which shall provide, among other things, the terms and conditions under which private sector lenders, using funding made available by the commission, shall originate, service and administer loans pursuant to the alternative student loan program. Lenders shall receive and process loan applications from borrowers, perform credit analysis, approve or deny loan requests, and for loans which are approved, originate, document, administer and service such loans. The commission shall make provision for payment to lenders of the reasonable costs of origination, servicing and administration of loans. Payment may be made directly by borrowers or by the commission, as the commission may determine.

(2) Loans shall be structured in such a manner that anticipated payments of principal and interest shall permit timely repayment of the revenue bonds to be issued by the State of Oregon pursuant to ORS 348.570 and 348.625 to 348.695. As a condition of participation in the alternative student loan program by private sector lenders, the commission shall procure from each such lender a guarantee or letter of credit insuring that the commission shall receive full and timely repayment of principal of and interest due on loans originated, serviced and administered by the lender. The commission shall provide by contract for payment by the commission or by borrowers, as the commission may determine, of the reasonable costs of such guarantees or letters of credit. It is the intention of ORS 348.570 and 348.625 to 348.695 that participating private sector lenders, not the commission, shall bear the entire risk of loss, nontimely repayment or nonpayment of alternative student loan program loans. [1987 c.842 §5]

348.645 Administration of loans if private lenders withdraw. (1) In carrying out its duties under ORS 348.570 and 348.625 to

348.695 as to insure funding availability, the commission may do the following in the event private lenders withdraw from the program:

(a) Act as the lender under the alternative student loan program or loan programs provided for by Title IV, Part B, of the Higher Education Act of 1965, as amended.

(b) Buy loans made privately under the alternative student loan program or loan programs provided for by Title IV, Part B, of the Higher Education Act of 1965, as amended.

(c) Contract with lenders or commercial loan servicers to collect loans which either the commission or the lender initially made.

(2) The commission may adopt rules by which to determine the eligibility of lending institutions to participate in the program and to fix the eligibility for loans under the program. [1987 c.842 §7]

348.650 Fees. The commission shall be entitled to establish or receive fees and charges sufficient to recover the ongoing costs of providing funding and administering the alternative student loan program. [1987 c.842 §6]

348.655 Issuance of revenue bonds; amount; interest tax exempt. In consultation with the commission, the State Treasurer may issue revenue bonds in an amount not to exceed \$30 million annually, the proceeds of which shall be used to provide funding for loans to be made pursuant to the alternative student loan program. Interest on the bonds shall be exempt from personal income taxation by the State of Oregon. [1987 c.842 §8]

348.660 Determination to issue revenue bonds; duties of State Treasurer; factors to consider. (1) If the State Treasurer, in consultation with the commission, determines that revenue bonds should be issued under ORS 348.570 and 348.625 to 348.695:

(a) The State Treasurer, in consultation with the commission, may authorize and issue in the name of the State of Oregon revenue bonds secured by revenues from repayment of loans to finance or refinance in whole or part the costs of the loan program. Refunding bonds may be issued to refinance such revenue bonds.

(b) The State Treasurer, in consultation with the commission, shall designate the underwriter, trustee and bond counsel and enter into appropriate agreements with each to carry out the provisions of ORS 348.570 and 348.625 to 348.695.

(2) Any trustee designated by the State Treasurer, in consultation with the commis-

sion, must agree to furnish financial statements and audit reports for each bond issue.

(3) In determining whether to issue revenue bonds under ORS 348.570 and 348.625 to 348.695, the State Treasurer, in consultation with the commission, shall consider:

(a) The bond market for the types of bonds proposed for issuance.

(b) The terms and conditions of the proposed issue.

(c) Such other relevant factors as the State Treasurer, in consultation with the commission, considers necessary to protect the financial integrity of the state. [1987 c.842 §89, 10]

348.665 Applicability of Uniform Revenue Bond Act; powers of State Treasurer. Bonds authorized under ORS 348.570 and 348.625 to 348.695 shall be issued in accordance with the provisions of ORS 288.805 to 288.945, and the State Treasurer, in consultation with the commission, shall have and shall exercise all the powers of a public body, including, but not limited to, the power to establish special accounts or subaccounts in the Alternative Student Loan Program Fund created by ORS 348.570 and the power to pledge the assets or the revenues, or any portion thereof, of the alternative student loan program. [1987 c.842 §11]

348.670 Administrative expenses. The administrative expenses of the State Treasurer and the commission shall be charged against bond proceeds or repayment revenues. [1987 c.842 §12]

348.675 Refunding of bonds. The State Treasurer, in consultation with the commission, shall have the power, whenever refunding is considered expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured. The refunding bonds may be exchanged for bonds to be refunded and the proceeds applied to the purchase, redemption or payment of such bonds. [1987 c.842 §13]

348.680 Validity of bonds. The validity of bonds issued under ORS 348.570 and 348.625 to 348.695 shall not be dependent on nor be affected by the validity or regularity of any proceeding relating to the loans for which the bonds are issued. The official action authorizing such bonds may provide that the bonds shall contain a recital that they are issued pursuant to ORS 348.570 and 348.625 to 348.695 and such recital shall be conclusive evidence of their validity and of the regularity of their issuance. [1987 c.842 §14]

348.685 Covenants in actions authorizing bonds; contents. The official action authorizing the issuance of bonds under ORS 348.570 and 348.625 to 348.695 may contain

covenants, notwithstanding that such covenants may limit the exercises of powers conferred by ORS 348.570 and 348.625 to 348.695 in the following respects and in such other respects as the state, acting through the State Treasurer, in consultation with the commission, or the designee thereof may decide:

(1) The use and disposition of the revenues from repayment;

(2) The creation and maintenance of special accounts or subaccounts in the Alternative Student Loan Program Fund created by ORS 348.570 and the regulation, use and disposition thereof;

(3) The purpose or purposes to which the proceeds of sale of bonds may be applied and the use and disposition of such proceeds;

(4) The events of default and the rights and liabilities arising thereon and the terms and conditions upon which the holders of any bonds may bring any suit or action on such bonds or on any coupons appurtenant thereto;

(5) The issuance of other or additional bonds or instruments payable from or constituting a charge against the revenues from repayment;

(6) The keeping of books of account and the inspection and audit thereof;

(7) The terms and conditions upon which any or all of the bonds shall become or may be declared due before maturity and the terms and conditions upon which such declaration and its consequences may be waived;

(8) The rights, liabilities, powers and duties arising upon the breach of any covenants, conditions or obligations;

(9) The appointing of and vesting in a trustee or trustees of the right to hold or dispose of any funds, accounts, revenues or assets of the alternative student loan program, to receive or assign any pledge thereof or to enforce any covenants made to secure or to pay the bonds, the powers and duties of such trustee or trustees, and the limitation of the liabilities of the trustee or trustees;

(10) The terms and conditions upon which the holder or holders of the bonds, or the holders of any proportion or percentage of them, may enforce any covenants made under ORS 348.570 and 348.625 to 348.695; and

(11) A procedure by which the terms of any official action authorizing bonds or of any other contract with bondholders, including but not limited to an indenture of trust or similar instrument, may be amended or

abrogated, and the amount of bonds the holders of which may consent thereto, and the manner in which such consent may be given. [1987 c.842 §15]

348.690 Liability of state for bonds. (1) Revenue bonds issued under ORS 348.570 and 348.625 to 348.695:

(a) Shall not be payable from nor charged upon any funds other than the revenue pledged to the payment thereof, except as provided in this section, nor shall the state be subject to any liability thereon. No holder or holders of such bonds shall ever have the right to compel any exercise of the taxing power of the state to pay any such bonds or the interest thereon, nor to enforce payment thereof against any property of the state.

(b) Shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the state other than the Alternative Student Loan Program Fund created by ORS 348.570, any account or subaccount thereof or student loans, if any, owned or acquired by the commission pursuant to the alternative student loan program.

(2) Each bond issued under ORS 348.570 and 348.625 to 348.695 shall recite in substance that the bond, including interest thereon, is payable solely from the revenue pledged to the payment thereof. No such bond shall constitute a debt of the state or a lending of the credit of the state within the meaning of any constitutional or statutory limitation. However, nothing in ORS 348.570 and 348.625 to 348.695 is intended to impair the rights of holders of bonds to enforce covenants made for the security thereof as provided in ORS 348.685. [1987 c.842 §16]

348.695 Rights and remedies of bondholders and trustees. Subject to any contractual limitation binding upon the holders of any issue of revenue bonds, or a trustee therefor, including but not limited to the restriction of the exercise of any remedy to a specified proportion or percentage of such holders, any holder of bonds, or any trustee therefor, for the equal benefit and protection of all bondholders similarly situated, may:

(1) By action or proceeding for legal or equitable remedies, enforce their rights against the state and any of its officers, agents and employees, and may require and compel the state or any such officers, agents or employees to perform and carry out duties and obligations under ORS 348.570 and 348.625 to 348.695 and covenants and agreements with bondholders;

(2) By action, require the state to account as if it were the trustee of an express trust;

(3) By action, enjoin any acts or things which may be unlawful or in violation of the right of the bondholders;

(4) Bring action upon the bonds; and

(5) Exercise any right or remedy conferred by ORS 348.570 and 348.625 to 348.695 without exhausting and without regard to any other right or remedy conferred by ORS 348.570 and 348.625 to 348.695 or any other law of this state, none of which rights and remedies is intended to be exclusive of any other, and each is cumulative and in addition to every other right and remedy. [1987 c.842 §17]

OREGON OFFICE OF EDUCATIONAL POLICY AND PLANNING

(Administration)

348.705 Definitions for ORS 348.705 to 348.885. As used in ORS 348.705 to 348.885, "office" means the Oregon Office of Educational Policy and Planning. [Formerly 351.265; 1987 c.880 §1]

348.715 Oregon Office of Educational Policy and Planning; director; account; Oregon Educational Advisory Council; duties; advisory committees; rules. (1) There is created the Oregon Office of Educational Policy and Planning. The Governor shall appoint the director, who shall serve at the pleasure of the Governor. The appointment of the director is subject to confirmation by the Senate in the manner provided in ORS 171.562 and 171.565.

(2) There hereby is created the Oregon Educational Advisory Council. The Governor shall appoint to the council seven members to serve for terms of four years.

(3) The director may appoint such advisory committees as the director considers necessary.

(4) The office shall:

(a) Develop, implement and monitor a comprehensive and standardized statewide data system capable of yielding information basic to policy formation by governing boards and appropriate governmental bodies.

(b) Design, implement and maintain a system which will identify the needs and expectations for educational services.

(c) Develop and propose statewide educational policy and program objectives consistent with identified educational needs; assess the budgetary priorities of the educational segments to identify their consistency with statewide policy and program objectives; advise the Governor of inconsistencies and omitted areas prior to the Governor's action on budget requests.

(d) Develop and propose systems for achieving stated educational policy and program objectives, and review all proposed new and existing post-secondary programs and proposed new post-secondary locations for consistency with statewide policy and program objectives.

(e) Evaluate educational programs to determine the extent to which well-identified educational needs are being met.

(f) Evaluate the effectiveness of educational planning efforts, and provide for their appropriate modification.

(g) Assure that an equitable distribution of special resources is made to the various educational segments through the administration of interinstitutional state and federal programs as assigned by the Governor or the legislature.

(h) Monitor proceedings of all meetings of the State Board of Education and the State Board of Higher Education.

(i) Provide assistance to the House and Senate Education Committees, the Ways and Means Committees and the Emergency Board. These staff members shall provide the legislative committees with such other information as may be requested by the committees.

(j) Gather, interpret and evaluate all regular and special applications for federal moneys for financial aid programs in order to insure consistency throughout the public and private post-secondary institutions in Oregon.

(k) Submit as part of the biennial budget assessment a separate report on special education that identifies all state expenditures for special education and the associated policy issues.

(5) Following review of proposed new and existing post-secondary programs and proposed new post-secondary locations, and in the event of seemingly unnecessary duplications or inconsistencies, the office shall recommend resolution to the appropriate segmental governing board concerned. In those cases where the office determines that a proposed new post-secondary program or a proposed new post-secondary location of a public institution would have a significantly adverse impact on one or more other segments of education, the office shall have final authority for approval or disapproval, notwithstanding authority given to the State Board of Education in ORS chapter 341 and ORS 326.011 to 326.550 and to the State Board of Higher Education in ORS 351.010 to 351.070, 351.075 to 351.260, 351.305 to 351.615 and 351.770 to 351.840. Prior to approval or disapproval, the office shall negotiate with the governing boards of the

institutions affected to determine if satisfactory accommodations of the interests can be achieved.

(6) The office may apply for and accept gifts, grants or services from and provide grants and services to or contract with nonprofit organizations, educational institutions and other state or federal agencies, and may administer such funds and contracts. Grants from the Federal Government or any of its agencies may be accepted subject to the terms and conditions thereof, regardless of any laws of this state in conflict with the regulations of the Federal Government with respect thereto.

(7) There hereby is established in the General Fund of the State Treasury an account to be known as the Oregon Office of Educational Policy and Planning Account. All moneys received by the office shall be paid into the State Treasury and credited to such account and hereby are appropriated continuously for and shall be used by the office in carrying out the purposes of ORS 348.705 to 348.885.

(8) Pursuant to ORS 183.310 to 183.550, the office may adopt rules necessary to carry out its functions. [Formerly 351.270; 1982 s.s.1 c.20 §4; 1985 c.555 §17; 1987 c.880 §2]

Note: The amendments to 348.715 by section 15, chapter 667, Oregon Laws 1991, are repealed June 30, 1997. See section 18, chapter 667, Oregon Laws 1991. The text, as amended, is set forth for the user's convenience.

348.715. (1) There is created the Oregon Office of Educational Policy and Planning. The Governor shall appoint the director, who shall serve at the pleasure of the Governor. The appointment of the director is subject to confirmation by the Senate in the manner provided in ORS 171.562 and 171.565.

(2) The office shall:

(a) Monitor proceedings of all meetings of the State Board of Education and the State Board of Higher Education.

(b) Provide assistance to the House and Senate Education Committees, the Ways and Means Committees and the Emergency Board. These staff members shall provide the legislative committees with such other information as may be requested by the committees.

(c) Provide staff support to the Oregon Workforce Quality Council in carrying out its responsibilities as described by sections 1 to 16, chapter 667, Oregon Laws 1991, and shall provide for the expenses of council members as required by ORS 292.495.

(3) Following review of proposed new and existing post-secondary programs and proposed new post-secondary locations, and in the event of seemingly unnecessary duplications or inconsistencies, the office shall recommend resolution to the appropriate segmental governing board concerned. In those cases where the office determines that a proposed new post-secondary program or a proposed new post-secondary location of a public institution would have a significantly adverse impact on one or more other segments of education, the office shall have final authority for approval or disapproval, notwithstanding authority given to the State Board of Education in ORS chapter

341 and ORS 326.011 to 326.550 and to the State Board of Higher Education in ORS 351.010 to 351.070, 351.075 to 351.260, 351.305 to 351.615 and 351.770 to 351.840. Prior to approval or disapproval, the office shall negotiate with the governing boards of the institutions affected to determine if satisfactory accommodations of the interests can be achieved.

(4) The office may apply for and accept gifts, grants or services from and provide grants and services to or contract with nonprofit organizations, educational institutions and other state or federal agencies, and may administer such funds and contracts. Grants from the Federal Government or any of its agencies may be accepted subject to the terms and conditions thereof, regardless of any laws of this state in conflict with the regulations of the Federal Government with respect thereto.

(5) There hereby is established in the General Fund of the State Treasury an account to be known as the Oregon Office of Educational Policy and Planning Account. All moneys received by the office shall be paid into the State Treasury and credited to such account and hereby are appropriated continuously for and shall be used by the office in carrying out the purposes of ORS 348.705 to 348.885.

(6) Pursuant to ORS 183.310 to 183.550, the office may adopt rules necessary to carry out its functions.

348.725 [1975 c.553 §3; 1987 c.880 §3; repealed by 1991 c.667 §17]

348.735 [Formerly 351.275; repealed by 1987 c.880 §19]

348.745 [Formerly 351.280; repealed by 1987 c.880 §19]

348.755 Personnel. The director may employ such other personnel as may be necessary to facilitate and assist in carrying out the functions of the office, and fix and pay the compensation of such personnel. The employment of such personnel shall be subject to any applicable provision of the State Personnel Relations Law. [Formerly 351.285; 1987 c.880 §4]

348.765 Approval of disbursements. The director of the office shall approve disbursements for indebtedness or expenses incurred under the provisions of and payable from appropriations made for the purposes of ORS 348.705 to 348.885. The director may appoint a designee to approve those disbursements, provided that the indebtedness or expense has been theretofore authorized by the director. If the director appoints a designee, the director shall file with the Executive Department a statement to that effect together with a sample of the signature of the designee. [Amended by 1987 c.880 §5]

348.785 [Formerly 351.297; 1987 c.880 §6; repealed by 1991 c.667 §17]

348.795 [Formerly 351.298; 1987 c.880 §7; repealed by 1991 c.667 §17]

348.805 [1969 c.182 §1; 1971 c.577 §1; renumbered 348.105]

348.815 [Formerly 351.301; repealed by 1991 c.667 §17]

348.825 [Formerly 351.302; 1987 c.880 §8; repealed by 1991 c.667 §17]

(Degrees)

348.830 Purpose of ORS 348.830 to 348.885. It is the purpose of ORS 348.830 to 348.885 to provide for the protection, education and welfare of the citizens of this state, its educational institutions and its students. The Oregon Office of Educational Policy and Planning shall adopt by rule minimum standards concerning quality of education, ethical and business practices, health and safety and fiscal responsibility, and protecting against substandard, transient, unethical, deceptive or fraudulent practices. The standards shall apply to schools and institutions subject to ORS 348.835 and shall be developed in consultation with an appropriate agency. [1979 c.308 §2; 1987 c.880 §9]

348.835 Office approval of degree requirements. (1) No school or other institution of learning shall confer or offer to confer any degree upon any person, in recognition of the attainment or proficiency of such person, in pursuing or graduating from any course conducted by it, without first having submitted the requirements for such degree to the Oregon Office of Educational Policy and Planning and having obtained the approval of the director.

(2) ORS 348.830 to 348.885 shall not apply to:

(a) Any school or institution of learning which has been established and conducted within this state, and has conferred degrees for a period of 15 years prior to March 4, 1935;

(b) Any school conducted under the public educational system of the state;

(c) Any Oregon school which is a member in good standing of the Northwest Association of Schools and Colleges; or

(d) Schools of theology operating on a post-baccalaureate degree level. [Formerly 351.710; 1979 c.308 §3; 1981 c.167 §1; 1987 c.880 §10]

348.840 Fee; how determined; use. (1) The Oregon Office of Educational Policy and Planning may impose a fee on any school or institution applying for approval of its requirements in conferring a degree. The fee is nonrefundable. The amount of the fee shall be fixed pursuant to rules of the office to recover the expenses incurred by the office in reviewing the information submitted by the school or institution or otherwise acquired by the office to determine whether to approve the degree requirements of the school or institution.

(2) Amounts paid to the office under this section are continuously appropriated to the office to reimburse it for the expenses described in subsection (1) of this section. [1982 s.s.1 c.20 §2; 1987 c.880 §11]

348.845 Revocation of approval; hearing. Approval obtained under ORS 348.835 may be revoked for proper cause by the Oregon Office of Educational Policy and Planning at the discretion of the director after a hearing. Such hearing shall be held only after the school or institution of learning involved has been given 20 days' notice in writing of the time and place of such hearing. [Formerly 351.720; 1987 c.880 §12]

348.855 Appeal procedure. Any decision made by the Director of the Oregon Office of Educational Policy and Planning refusing any school or institution of learning permission to confer degrees or revoking the right to confer degrees, shall be subject to the right of review by an action brought in the circuit court of the county in which the school or institution of learning is located. Such review shall be tried as an action not triable by right to a jury. [Formerly 351.730; 1979 c.284 §139; 1987 c.880 §13]

348.865 Announcement of conferring of degrees before approval of requirements forbidden. Excepting those exempted by ORS 348.835, no school or institution of learning conducted within this state, nor any officer or member thereof, shall announce or advertise that such school or institution of learning does or will confer any degree upon any person whomsoever without first having complied with ORS 348.835 and 348.875. [Formerly 351.740]

348.875 Schools to file information; inspection; revocation for failure to maintain standards. All schools or other institutions of learning subject to ORS 348.835 shall file such information with the Director of the Oregon Office of Educational Policy and Planning as may be required by the director. The director may send an expert to inspect any such school or institution of learning. If any such school or institution of learning fails to keep up the required standard, the director shall revoke its approval to confer degrees. [Formerly 351.750; 1979 c.308 §4; 1987 c.880 §14]

348.885 Misrepresentation of possession of academic degree prohibited. No person shall claim or represent that the person possesses any academic degree which has not been awarded to or conferred upon the person. Any person claiming to be the holder of any academic degree shall, upon request of the Director of the Oregon Office of Educational Policy and Planning, file with it the name of the degree so claimed, the name and location of the institution or school conferring same, the date of conference and a certified copy of the diploma or other document in possession of the claimant and evidencing such degree. Failure to file such information or document shall be prima facie evidence

that the claim of such person to such degree is fraudulent. [Formerly 351.760; 1979 c.308 §5; 1987 c.880 §15]

(Coordination of State Agencies)

348.890 Joint meeting with State Board of Higher Education and State Board of Education. (1) The State Board of Higher Education and the State Board of Education shall hold at least one meeting annually for the purpose of coordinating their activities and facilitating the solution of problems of mutual concern.

(2) Bylaws to be adopted by the members shall determine procedures for setting meeting dates, locations, chairmanship rotation, agendas and staff support. [1977 c.306 §3; 1987 c.880 §16]

EDUCATION COMMISSION OF THE STATES

348.950 Education Commission of the States; members; dues. (1) If the state decides to participate in the activities of the Education Commission of the States, it may pay the appropriate dues. Other costs of membership may be paid from funds available therefor.

(2) The persons appointed to represent the state in activities of the commission shall be appointed as follows:

(a) Three by the Governor, to serve at the pleasure of the Governor.

(b) Two by the President of the Senate, who shall be members of the Senate, to serve

at the pleasure of the President of the Senate and until the convening of the regular session of the Legislative Assembly next following the appointment who are entitled to payment of compensation and expense reimbursement under ORS 171.072, payable from funds appropriated to the Legislative Assembly.

(c) Two by the Speaker of the House of Representatives, who shall be members of the House of Representatives, to serve at the pleasure of the Speaker of the House and until the convening of the regular session of the Legislative Assembly next following the appointment who are entitled to payment of compensation and expense reimbursement under ORS 171.072, payable from funds appropriated to the Legislative Assembly. [Formerly 189.110; 1987 c.879 §13]

PENALTIES

348.990 Penalties. Violation of any of the provisions of ORS 348.830 to 348.885 by any person or institution of learning or any person being an officer or member of any school or institution of learning is punishable, upon conviction, by a fine of not less than \$25 nor more than \$500. [Derived from 351.990; 1979 c.308 §6]

CHAPTERS 349 AND 350

[Reserved for expansion]

EDUCATION AND CULTURAL FACILITIES
