

OFFICE OF THE SECRETARY OF STATE
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NOTICE OF PROPOSED RULEMAKING INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 583
HIGHER EDUCATION COORDINATING COMMISSION
OFFICE OF DEGREE AUTHORIZATION

FILED

10/22/2025 10:21 AM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: Updating Office of Degree Authorization Rule Allowing Provisional Authorization for Consistency with Federal Regulation

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 11/25/2025 5:00 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

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Filed By:
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HEARING(S)

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

DATE: 11/18/2025

TIME: 11:30 AM - 12:00 PM

OFFICER: Guthrie Stafford

REMOTE HEARING DETAILS

MEETING URL: [Click here to join the meeting](#)

PHONE NUMBER: 1-503-446-4951

CONFERENCE ID: 735343553

SPECIAL INSTRUCTIONS:

Meeting ID: 279 610 168 877 6

Passcode: 2Fy2PU7n

NEED FOR THE RULE(S)

The HECC Office of Degree Authorization (ODA) learned that a federal regulation, 34 CFR § 602.28 (a), prohibits institutional accreditors from bestowing accreditation or pre-candidacy of accreditation on postsecondary schools that do not already have State authorization to legally operate. This conflicts with the requirement in permanent rule OAR 583-030-0020 (2) which requires accreditation or pre-candidacy of accreditation prior to an institution's application for authorization by the HECC. These conflicting federal and Oregon rules effectively prohibit any new, unaccredited postsecondary institution obtaining either accreditation or applying for Oregon authorization.

A temporary rule addressing this problem was adopted by the Commission in its July 21 special meeting. This permanent rulemaking action would make the changes in the temporary rule permanent.

This proposed permanent rulemaking also makes additional changes:

- 1) It streamlines the provisional authorization language for clarity, specifying more detail regarding the other identified basis for provisional authorization;
- 2) It consolidates and clarifies language regarding the duration of initial provisional authorization and subsequent extensions; and
- 3) It increases the maximum available duration for a provisional authorization, including extensions, to 6 years instead of 4 years, effectively allowing for one more 2-year extension if needed. This reflects the office's experience that some reasons for provisional authorization, such as accreditation, may take longer for a school to resolve than what was anticipated in current rule. For example, the Northwest Commission on Colleges & Universities operates on a 7-year accreditation cycle. This avoids putting the ODA into a position where it must choose between full authorization or non-authorization on a timeframe that may be too short.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

None.

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

The rule change has no direct effect on racial equity.

FISCAL AND ECONOMIC IMPACT:

The rule change has no direct fiscal or economic impact to HECC or the state.

COST OF COMPLIANCE:

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

(1) No other agencies or governmental units affected. The rule does not change the application process or its cost of compliance except to better define the timeframes used in the application process. This should not change the cost of compliance.

(2a) There are approximately 60 schools approved by the ODA (considering in-state and out-of-state together). The ODA expects to use these provisions 1-2 times per year.

(2b) The rule clarifies existing practices by stating in rule information that must be provided for provisional authorization. This does not affect existing obligations.

(2c) No additional staff or resources needed.

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

The Office of Degree Authorization advisory committee was consulted and was supportive of these draft changes.

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

No. The Office of Degree Authorization advisory committee was consulted and was supportive of these draft changes.

AMEND: 583-030-0020

RULE SUMMARY: OAR 583-030-0020 describes the Office of Degree Authorization (ODA) and its authority to authorize degree-granting schools within the state. The rule permits the ODA to grant provisional authorization under specified circumstances.

CHANGES TO RULE:

583-030-0020

Exercise of Office of Degree Authorization Authority ¶¶

(1) A school that intends to offer to anyone from within Oregon or offer to Oregon residents from outside the state any form of instruction, lecture, training, tutoring, seminar, workshop, examination, evaluation, or other service represented as contributing credit or otherwise leading toward a specified or unspecified degree or certificate that will or might be conferred anywhere shall notify the Commission at least 6 months in advance and then promptly supply all information the Commission requests. Failure to notify the Commission in advance, or to provide information as directed, may result in the permanent denial of approval for the school to offer any services in or from Oregon, as well as administrative action, up to and including assessment of civil penalties.

~~No other than provisional authorization as described in Section 2 below, no school shall be eligible to apply for authorization to offer in or from Oregon any instruction, academic credit, or other services leading to a degree before it has obtained accreditation or pre-accreditation candidacy at or above the associate degree level from an accrediting body recognized by the U.S. Department of Education (USDE).~~¶¶

~~(2) Schools that are currently authorized, and not accredited, Provisional Authorization. The Commission may be granted provisional authorization until the school has applied for accreditation recognized by the USDE. For reasons including but not limited to the following:¶¶~~

~~(a) Accreditation Pending. The Commission may grant provisional authorization may be approved for a period of not less than two years nor more than four years and may be extended pending accreditation or pre-accreditation candidacy at or above the associate degree level from an accrediting body recognized at by the discretion of the Commission U.S. Department of Education (USDE). Provisional authorization for this purpose shall be contingent upon the school continuously seeking and making satisfactory progress toward accreditation, as evidenced by submission to the Commission of a letter of intent and subsequent documentation from the accrediting agency.~~ body:¶¶

~~(3b) Provisional authorization may be approved for application Financial Information s p Pending the following conditions for a period of not less than two years nor more than four years:¶¶~~

~~(a) Establishment: The Commission may grant provisional authorization pending its receipt and evaluation of a federally computed Financial Responsibility Composite Score (FRCS) or submission of the a school's most recent independently audited financial statement, current same day balance sheets, and self-calculations of the composite score;¶¶~~

~~(b) Receipt or notification using the US Department of Education's methodology including exclusions, or alternatively self-calculations of the composite score using a method of calculation approved by the Commission;¶¶~~

~~(c) Investigations or Actions Pending: The Commission may grant provisional authorization pending the satisfactory resolution of investigations or adverse actions from state, federal, or accrediting agencies;¶¶~~

~~(ed) Change of ownership before documentation of sales transaction is completed; or¶¶~~

~~(d) Pending approval of accrediting agency recognized by the USDE Ownership: The Commission may grant provisional authorization if a school applies for authorization due to changes in ownership, resulting in a need to resubmit financials or other documentation.¶¶~~

~~(3) Duration of Provisional Authorization. The Commission will specify an initial duration for provisional authorization of up to two years. The Commission may grant subsequent extensions of up to two additional years per extension. More than one extension may be granted. In no case, however, will the Commission grant an extension that combined with the initial grant and other extensions would result in a continuous provisional authorization of more than six years.¶¶~~

~~(4) Schools that offer no degrees in Oregon but want to offer a certificate are subject to the requirements of ORS chapter 345 and OAR chapter 715, division 45.¶¶~~

~~(5) Schools intending to apply for authorization or exemption from the Commission shall provide the Commission with information about the school's ownership and structure, proposed programs, relationships to other schools, partnership agreements, or online program management agreements, if any. The Commission will determine whether the school:¶¶~~

~~(a) Must apply for state authorization to offer instruction or related services leading to one or more degrees under the standards of OAR 583-030-0035;¶¶~~

~~(b) Is exempt for other than religious reasons under ORS 348.597;¶¶~~

~~(c) Is eligible for exemption under ORS 348.604 and therefore has a choice of standard state approval or religious exemption.¶¶~~

~~(6) A school that applies for degree authorization or exemption shall use forms and follow procedures determined by the Commission. Failure to comply constitutes good reason to reject an application. Such school shall be open to inspection and may be inspected at any time to verify its statements and to examine facilities. Inspection of a~~

school and evaluation of its application will be performed by state officials or consultants at the Commission's discretion, and results will be utilized as the Commission considers appropriate. Information from other examiners, such as accreditors, the US Department of Education, and professional licensing agencies, shall accompany materials submitted by the school and may be used by the Commission at its discretion.¶¶

(7) Authorization to offer instruction or related services leading to a degree applies to specific curricula and services for specific periods:¶¶

(a) Authorization is normally given for the state as a whole, but may be limited by the Commission in order to ensure program quality or operational stability.¶¶

(b) The Commission, on the basis of judgment about the relationship between a curriculum and a degree title, may require revision of title. Degree titles may not contain the name of organizations, companies or products.¶¶

(c) Authorization is given for a specific degree for a fixed period of two years and may be extended for another two years upon a request submitted in writing to the Commission due to extenuating or emergency situations including, but not limited to, natural disasters, catastrophic events, a governor-declared emergency, or inability of the owner or administrator to perform their duties as determined by the Commission.¶¶

(8) Authorization to offer instruction or related services leading to a degree expires at the end of the period for which it is given, without right or presumption of renewal, except that an authorized school having submitted to a complete and timely application for renewal continues to be authorized until such time as a review or revocation procedure may determine otherwise. After discontinuing its offer of an authorized degree before the end of the period of authorization, a school shall not reinstate the degree without permission from the Commission. A program shall be deemed discontinued if a period of two academic years passes without any students being enrolled in the program.¶¶

(9) Authorization to offer instruction or related services leading to a degree is subject at all times to supplemental review if the school appears to be at risk or approaching probation, suspension, or revocation for proper cause according to procedures described in OAR 583-030-0045.¶¶

(10) Approval of a degree by the Commission does not constitute approval of the program as training for professional practice when the state licenses or otherwise regulates professional practice. Applicants must also seek approval from the appropriate state licensing entity.¶¶

(11) The Commission or its designee may enter into agreements and assess fees to cover costs of any proceeding relating to complaints as allowed by statute, including conducting an investigation pursuant to OAR 715-011-0080, contracting with outside entity to conduct an investigation, or holding an administrative hearing, brought pursuant to OAR 715-011-0090.

Statutory/Other Authority: ORS 348.606, ORS 350.075

Statutes/Other Implemented: ORS 348.606, ORS 348.597, ORS 348.603, ORS 350.075, ~~ORS 648.606~~