

**Act CCIV of 2011
On National Higher Education***

The National Assembly

- in awareness of its responsibility towards the nation;
- in agreement with the national creed set forth in the Basic law
- in order to intellectually and spiritually revive the nation
- trusting the calling of the young generations to become university citizens, and
- asserting its conviction that our children and grand-children shall advance Hungary through their talent, determination and spirit, hereby adopts the following Act:

PART ONE

GENERAL PROVISIONS

CHAPTER I

GENERAL PROVISIONS

1. Objective and Scope of the Act

Section 1

(1) The aim of this Act is to raise the standard of higher education, define the criteria system required for passing on and acquiring competitive knowledge and to guarantee the operation of the higher education system in accordance with the frameworks defined under Section 3 of Article X of the Basic law. The legal framework of rules applicable to the financial management of higher education institutions shall be defined in a government decree.

(2) The scope of this Act shall apply to all individuals and organisations involved in the activity and management of higher education, as well as to the higher education activities of Hungarian higher education institutions undertaken outside the territory of Hungary.

* This Act was endorsed by the National Assembly as its session convened on 23 December 2011.

2. Basic Principles Governing the Operation of Higher Education

Section 2

(1) As defined within the scope of this Act, a higher education institution shall be defined as an organisation established for the purpose of undertaking educational, academic research and artistic activities as a core activity.

(2) The state shall be designated with the task of operating the higher education system, whilst the financing body shall be responsible for operating the higher education institution.

(3) The educational core activity of the higher education institution extends to include higher educational vocational training, the Bachelor programme, the Master programme, the doctoral programme and specialist postgraduate programme. Unless otherwise regulated within the scope of this Act, exclusively higher education institutions shall be authorised to undertake activities qualified as core educational activities.

(4) Higher education institutions shall be prohibited to allow organisations of political parties or organisations affiliated to political parties to use their premises for operating purposes.

(5) The state shall be obliged to ensure that programmes shall be available in Hungarian in every field of study. Programmes offered in higher education institutions may, either partly or fully, also be offered in languages other than Hungarian. Students belonging to a national minority may, in accordance with rules set forth in the present Act, take programmes in their native language or Hungarian, or in their native language and Hungarian.

(6) The higher education institution shall be obliged to keep records prescribed in relevant legislation and shall be obliged to supply data specified to the national statistical data collection programme, as well as the higher education information system.

Section 3

(1) Consecutive higher education course cycles offering a higher education degree:

- a) Bachelor programme;
- b) Master programme;
- c) Doctoral programme.

(2) The Bachelor and Master programme may be organised in consecutive programme cycles, or in a single long cycle in specific cases defined in relevant legislation. The Government shall define the structure of programmes subdivided into cycles and single cycle long programme.

(3) In addition to the rules defined in Paragraph (1), the following types of training not offering a higher education degree may also be organised within the framework of higher education:

- a) higher education vocational training,
- b) specialist postgraduate programme

(4) Based on their founding charters, higher education institutions may engage in adult training without having to obtain the institutional accreditation defined in the Act on Adult Training or programme accreditation in respect of the programmes offered in their training programme. Higher education institutions, as well as the programmes offered in their training programmes shall qualify as accredited institutions or programmes after completing the registration procedure defined in the Act on Adult Training.

Section 4

(1) The following may, either independently or jointly with other parties authorised, establish higher education institutions:

- a) the Hungarian state, national minority government;
- b) ecclesiastical legal persons registered in Hungary, including organisations with legal personality (hereinafter ecclesiastical legal person);
- c) business organisations with seats in Hungary [Point c) of Section 665 of Act IV of 1959 on the Civil Code (hereinafter Civil Code)];
- d) foundations or public foundations registered in Hungary.

(2) The right to exercise founder's rights may be assigned in accordance with rules stipulated in the present Act. The individual exercising founder's rights shall undertake tasks in connection with the maintenance of the higher education institution (hereinafter maintainer).

(3) A higher education institution is financed from the budget if the institution is maintained by the entities listed in Point a) of Paragraph (1). Entities listed in Point a) of Paragraph (1), as well as those listed in Points b) to d) are also entitled to jointly exercise rights pertaining to maintenance.

(4) Unless otherwise regulated by legislation, the Minister responsible for Education (hereinafter Minister) shall exercise maintenance-related rights on behalf of the state. .

Section 5

- (1) A higher education institution shall qualify as a legal personality.
- (2) In regard to state higher education institutions, the Act on the Legal Status of Civil Servants and the Act on the Labour Code shall be applied together with other regulations defined in the present Act.
- (3) Transformation – incorporation, division, integration - of the higher education institution in accordance with the present Act shall not qualify as market conduct in accordance with the Act on Indecent Market Conduct and Ban on Restricting Competition.

PART TWO

OPERATION OF HIGHER EDUCATION INSTITUTIONS

CHAPTER II

FOUNDING A HIGHER EDUCATION INSTITUTION

3. Recognition by the State

Section 6

- (1) Organisations qualifying as higher education organisations may be founded or operated which have been founded for the purpose of providing higher education activities defined in the present Act and have been recognised by the National Assembly.
- (2) The state shall recognise higher education institutions which satisfy conditions deemed necessary for the provision of activities and which are authorised to provide a minimum of 4 programmes in at least two fields or disciplines in the available programme structure defined below under Points a) to d):
 - a) Bachelor programme,
 - b) Bachelor and Master programme,
 - c) Bachelor, Master and doctoral programme,
 - d) Master and doctoral programme.
- (3) The higher education institution shall be deemed to satisfy conditions required for providing tasks, if, by taking account of its activities defined in its statutes, it disposes of the personnel and organisational requirements necessary for continuous operation, material and financial instruments, as well as institutional documents.
- (4) A higher education shall be established pursuant to recognition by the state.
- (5) Higher education institutions may commence their operation if
 - a) pursuant to the request of the maintainer, it has obtained its operating license from the body responsible for the registration of higher education institutions (hereinafter Educational Authority) and has been registered, and
 - b) the National Assembly has endorsed its recognition.

4. Operating License

Section 7

- (1) A higher education institution shall be required to dispose of two permanent seats, as well as permanent teaching and research staff.
- (2) The permanent seat shall be the place where higher education core activities are undertaken and which serves as the centre for administration, providing that it meets requirements set by the Government in respect of the provision of higher education institution activities for at least 8 years.

(3) The requirement regarding the availability of permanent teaching and research staff shall be met, if the higher education institution directly employs at least 60% of its teaching and research staff or employs this staff on the grounds of a public service employment contract.

Section 8

(1) As a precondition for issuing the operating license, the maintainer shall certify that all requirements necessary for operating the higher education institution are satisfied or may be gradually established in compliance with education and research demands.

(2) The Educational Authority shall issue an operating license on condition that activities listed in the license in connection with education and academic research only commence following state recognition endorsed by the National Assembly and the entry into force of the legislative amendment concerning state recognition. The Educational Authority shall review the operating license at least every five years.

(3) Annex 1 to the present Act lists higher education institutions recognised by the state.

(4) The maintainer shall approve the the founding charter of the higher education institution, as well as amendments made to the founding charter. Minimum data requirements in respect of the founding charter and the operating license are listed in Annex 2.

(5) To provide the tasks defined in its founding charter, the higher education institution shall be entitled to establish and maintain organisational units.

(6) Based on the agreement concluded with the higher education institution, organisations providing accommodation for students enrolled in higher education (dormitory, student hall of residence) shall be authorised to undertake preparatory tasks facilitating entry into higher education, engage in higher education and operate as a study circle.

Section 9

(1) Universities or colleges shall qualify as higher education institutions.

(2) Only higher education institutions listed in the Annex to the present Act, as well as foreign higher education institutions operating in Hungary on the grounds of the present Act shall be eligible to use the title “university” or “college”, as well as the foreign language equivalents of these.

(3) A university shall be defined as a higher education institution which

a) is authorised to launch Master programmes in at least two fields of study, as well as doctoral programmes in at least two disciplines and is entitled to award a doctoral title;

b) at least 50% of its teaching and research staff employed directly or on a public service employment basis has a doctoral degree;

c) disposes of at least three university faculties;

d) operates an academic student workshop;

e) is capable of offering foreign language courses at some of its departments.

(4) Colleges shall also operate in a faculty structure; at least one-third of its teaching and research staff employed directly or on a public service employment basis shall be required to hold a doctoral degree. Colleges shall be entitled to operate academic student workshops.

(5) (6) Universities and colleges shall be authorised to offer programmes without a higher education degree: higher educational vocational training, specialist postgraduate programme.

(7) The Educational Authority shall acknowledge declarations made in connection with changes to the official name of the higher education institution and shall initiate, through the Minister, the amendment of Annex 1 to the present Act.

Section 10

(1) In order to implement national strategic objectives, the Government shall be authorised to classify a higher education institution maintained by the state as a priority higher education institution in accordance with provisions governing the decree issued by the Government.

(2) Universities or university faculties offering outstanding courses and academically acknowledged may be awarded a “research” rank pursuant to criteria defined by the Government.

(3) Colleges offering programmes in several fields of study and internationally acknowledged in the field of applied research may be awarded the rank of “college of applied research” pursuant to criteria defined by the Government.

(4) Based on the agreement, the Minister may award funding to operate the organisations and organisational units defined above under Paragraphs (1) to (3).

CHAPTER III

BASIC PRINCIPLES GOVERNING THE OPERATION OF HIGHER EDUCATION INSTITUTIONS

5. Basic Rules of Operation

Section 11

(1) Higher education institutions shall

a) define regulations in respect of their operation and organisational structure (hereinafter organisation and operational manual) not prohibited by law or which, pursuant to legislative authorisation, must be regulated within the scope of alternative regulations;

b) approve an organisation and operational manual – disclosed by the institution in the conventional manner also accessible for persons with disabilities – the mandatory sections of which are listed in Annex 2;

c) shall help students to adjust and support the progress of students – by paying special attention to students with disabilities - by providing information and counselling services throughout the duration of their higher education studies, as well as career guidance during and after the completion of their studies;

d) provide tasks in connection with fostering talent and increasing the recognition of science in society;

e) shall ensure access to the schedule of lectures and lecture attendance– by ensuring equal access – even for individuals not enrolled in the given institution in accordance with the frameworks set out in the organisation and operational manual;

f) define and disclose criteria defined in respect of enrolment in accordance with provisions governing the present Act (hereinafter entrance criteria);

g) during the course of operations, ensure that the staff responsible for implementing tasks complies with equal treatment and equal access requirements when making decision in connection with students, lecturers and individuals employed in higher education.

(2) In line with its core activities, higher education institutions shall also be required to ensure health development, which extends to include ensuring regular exercise, the organisation of sports activities, library services, the provision of financial and business skills linked to the knowledge-based economy, the opportunity to develop native language professional terminology and professional foreign language skills.

6. Institutional Structure of Higher Education

Section 12

(1) The Senate shall be the supreme body of the higher education institution and the Rector shall be appointed its president.

(2) The Senate shall be entitled to rights defined in respect of higher education institutions in the Basic law.

(3) The Senate shall

a) define the education and research activities of the given higher education institution and control the execution of these;

b) define its own operating rules of procedure;

c) approve the institution's development plan defined for the mid-term for a minimum period of 4 years by defining tasks to be implemented in annual breakdown, as well as the research and development and innovation strategy constituting an integral part of the former;

d) issue its opinion in connection with Rector applications and evaluate the managerial activities of the Rector;

e) accept the institution's

ea) educational programme;

eb) organisation and operational manual, doctoral rules of procedure;

ec) wage differentiation principles based on quality and performance;

ed) budget within the frameworks defined by the maintainer;

ee) compile an annual report by following provisions governing accountancy;

f) define, within the institution,

fa) the student counselling network;

fb) the system used by students to evaluate the work of lecturers;

g) in agreement with the maintainer, make decisions in connection with

ga) launching developments;

gb) the institution's asset management plan;

gc) the foundation of business organisations, acquiring stakes in business organisations and cooperation with business organisations;

h) in addition, the Senate shall make decisions in connection with

ha) the conclusion of cooperation agreements;

hb) setting up an academic council, appointing its members and president;

hc) ranking applications submitted by lecturers, researchers and the management and awarding titles and rewards;

hd) setting up, closing a doctoral academy and launching doctoral programmes;

he) initiating the awarding of fellowships granted by the Republic;

hf) initiating the launching and suspension of programmes.

(4) The anticipated costs and revenue of concepts related to the use, conservation and alienation of the property made available to the higher education institution by the maintainer in the case of developments must be specified in the institutional development plan.

(5) If the committee or council set up by the Senate deals with matters concerning students, it is also necessary to ensure the participation of student representatives in the committee's work, with the exception of the Credit Transfer Committee. The Senate shall set up a standing committee dealing with course-related, examination and social matters of the students. Student participation must be guaranteed in the committee acting in matters affecting the students, on condition that the number of members delegated by students to the standing committee set up to deal with course-related, examination and social matters cannot be less than 25% of the members on the committee.

(6) With the exception of the representatives of student unions and the PhD student union, individuals employed directly or on a public service employment basis at the higher education institution as lecturers, researchers or other personnel may be appointed to the Senate.

(7) With the exception of the Rector and financial director, Senate members of state higher education institutions shall be appointed by means of voting. All matters concerning the operation of the Senate shall be defined in the higher education institution's operation and organisational manual by taking the following into account:

- a) The Senate shall not have less than 9 members; in addition, members selected by lecturers and researchers – including the president – shall form a majority in the body; faculties shall ensure the representation of lecturers not in the management.
 - b) In accordance with criteria defined in Point b) of Paragraph (1) of Section 60, the student union shall delegate minimum 20% and maximum 25% of Senate members.
 - c) The PhD student union shall delegate 1 representative to the Senate.
 - d) Members employed in other jobs, representatives of leading unions shall not exceed 5% of the number of members of the Senate and shall at least be one individual.
 - e) Senate members shall be appointed for four-year terms, or for a minimum period of 1 year and a maximum period of 3 years in the case of students and PhD student unions.
 - f) Senate meetings shall be public for the employees and students of the institution.
 - g) The Senate shall reach a quorum, if at least 60% of its members are present and its decisions have been unanimously approved by the majority of members present, except if legislation or the organisation and operational manual determine a higher ratio of votes.
 - h) Pursuant to the request of over 50% of the members present in the Senate, a meeting behind closed doors and a secret ballot may be held.
 - i) Minutes shall be recorded of Senate meetings; decisions made by the Senate shall be incorporated in resolutions and disclosed in accordance with rules stipulated in the organisation and operational manual.
 - j) The representative of the maintainer must be notified about the scheduled date of the Senate meeting by sending its agenda in advance; the representative of the maintainer shall be authorised to attend meetings with the right to consult.
- (8) Scopes of competency defined in Points a) to g), ha) to hb) and hd) to hf) cannot be assigned.

Section 13

(1) The competent director of the higher education institution shall be the Rector, which individual shall be competent for and make decisions in matters not delegated to the scope of authority of other persons or bodies pursuant to legislation, the organisation and operational manual and the collective agreement.

(2) The Rector shall be responsible for the professional and legitimate operation of the higher education institution and shall exercise employer rights even in respect of the financial director and head of the internal audit unit.

(3) In certain cases, or in respect of certain matters, the Rector shall be authorised to assign scopes of authority defined above in Paragraph (1) and (2) to their immediate deputy or an alternative executive-level employee. The person exercising the assigned scope of authority may not pass on this scope of authority.

(4) The chief financial director, or the financial director if the former position does not exist, shall be responsible for preparing financial measures and proposals.

(5) Individuals with managerial, organising and financial expertise and experience and employed on a full-time basis or on the grounds of a public service employment contract at the higher education institution, or individuals entering into such employment relations may also be appointed as Rector. In the case of universities, Rector candidates must be employed as university lecturers, or university professors, college lecturers, college professors, academic consultants or research professors or senior research associates in the case of colleges.

(6) The Rector may be recalled by the two-third majority vote of Senate members.

Section 14

(1) Organisational units providing computer, social, sports, library, archival, museum and healthcare services, as well as hostel services defined in the government decree and other services, with special regard to training centres, training hotels, training farms, art workshops, botanical gardens, as well units in which production activities are performed may be set up in higher education institutions. Only one educational organisational unit may be responsible for education activities provided at one faculty, even if the higher education institution operates at several sites. The competent unit shall be specified in the education programme.

(2) The library and catalogue system of the higher education institutions is a public academic collection providing reading-, information-, education- and research-related tasks which also functions as a museum or archives. University libraries shall undertake public library, as well as academic and higher education library tasks, as defined in the Act on Museums, Public Libraries and Community Cultural Services. University libraries shall receive funding from the National Document Supply System, as specified in relevant legislation.

(3) Organisational units of higher education institutions may be organised into centres, university or college centres. Public education institutions maintained by a state higher education institution shall be a legal personality applying regulations governing the financial management of budgetary bodies.

(4) Financial councils shall operate in state higher education institution, in accordance with the frameworks defined by the Government, which may also operate in private higher education institutions.

CHAPTER IV

CREDIT SYSTEM IN HIGHER EDUCATION

7. Higher Education Degree and Qualifications

Section 15

(1) Education in higher education institutions shall operate on the grounds of an educational programme. Forming a part of the educational programme, the higher education institution shall prepare the curriculum for higher education vocational training, Bachelor programmes and Master programmes by following programme and outcome requirements issued by the Minister, or as they choose to in the case of specialist postgraduate programmes. The curriculum needs to be revised every five years. New or modified course and examination criteria may be introduced by following a phasing-in system.

(2) A higher education degree may be obtained in higher education vocational training, which is certified by a diploma. The diploma awarded for completing higher education vocational training shall not be considered an independent degree. A minimum 120 credits and a maximum 150 credits need to be completed in higher education vocational training. Programme and outcome requirements include crediting credits completed in higher education vocational training to the Bachelor course offered in the same field of education. A minimum 30 and maximum 120 credits may be credited. The maximum duration of education is 5 semesters except if European Union law allows for a longer period of education in a specific field.

(3) A bachelor's degree and qualification may be awarded for completing a Bachelor programme. The bachelor's degree is an undergraduate degree enabling its holder to commence a Master programme. Programme and outcome requirements determine the

education degree which may be obtained by completing Bachelor programmes. A minimum 6-month long professional training (hereinafter professional training) must be organised in the case of Bachelor programmes with training requisites. Completing professional training constitutes a precondition for taking the final exam. A minimum 180 credits, or a minimum 210 in the case of professional training, and a maximum 240 credits must be completed in Bachelor programmes. The minimum education period is 6 semesters and the maximum is 8 semesters.

(4) A Master degree and qualification may be obtained by completing a Master programme. The Master degree is a graduate level degree. The programme and outcome requirements of the Master programme determine the type of qualification which may be obtained by completing the Master programme. By taking Paragraph (5) into account, a minimum 60 and maximum 120 credits must be completed during the Master programme. The minimum education period is 2 semesters and the maximum is 4 semesters. 60 credits may be obtained during the education period in Master programmes awarding a Master degree at the end of the course and the education period is two years.

(5) A minimum 300 and maximum 360 credits may be obtained in single cycle long programmes. The minimum education period is 10 semesters and the maximum is 12 semesters.

(6) Further qualifications may be obtained in educational programmes completed after Bachelor and master programme. A minimum 60 and maximum 120 credits must be completed during the specialist postgraduate programme. The minimum education period is 2 semesters and the maximum is 4 semesters.

Section 16

(1) The PhD course is also a part of the education programme, which prepares candidates for obtaining a PhD during the PhD programme taken after completing the Master programme. The education period is 6 semesters. PhD programmes are standardised, consisting of a 36 month-long education period, which may be subdivided into reporting periods.

(2) Higher education institutions in which Master degree programmes are provided in the given discipline may obtain authorisation to offer a PhD programme.

(3) The higher education institution may obtain authorisation for offering PhD programmes and awarding PhDs in disciplines or branches of science and art, the institution is licensed to operate in. Authorisation may be obtained for PhD programmes awarding PhDs in the field of art, as well as DLA programmes awarding the artistic title of “Doctor of Liberal Arts” (hereinafter PhD programmes).

(4) “Doctor of Philosophy” (abbreviated as PhD) is the academic degree certified by a diploma which may be obtained by completing a PhD programme. The Rector and the president of the doctoral council shall sign the diploma.

(5) The doctoral council of the higher education institution has the right to organise PhD programmes and award PhDs (hereinafter doctoral procedure). The doctoral council of the institution may set up academic and art doctoral councils in each discipline, as well as in branches of science and art defined in the doctoral regulation of the higher education institution. With the exception of PhD students, every member of the doctoral council must hold an academic degree.

8. Modes of Organising Programmes

Section 17

(1) Full-time, part-time and distant education programmes may be organised in higher education. A full-time course consists of a minimum 300 classes per semester.

(2) In accordance with the work schedule of daytime programmes, full-time programmes shall be organised during weekdays within the framework of a 5-day instruction week. Alternative regulation is subject to the consent of the student union of the higher education institution.

(3) Part-time programmes may be organised in accordance with the evening or correspondence education work schedule. With the exception of specialist postgraduate programmes, the duration of a part-time course may be the equivalent of a minimum 20% and maximum 50% of the classes offered in full-time programmes. The duration of specialist postgraduate programmes may be the equivalent of a minimum 30% and maximum 50% of the classes offered in full-time programmes.

CHAPTER V

DATA CONTROL IN HIGHER EDUCATION INSTITUTIONS, THE HIGHER EDUCATION INFORMATION SYSTEM

9. Objective of Data Control

Section 18

(1) The higher education institution shall register the following personal and special data essentially required to ensure

- a) the proper functioning of the institution;
- b) applicants' and students' rights and the fulfilment of their obligations;
- c) education and research activities;
- d) employer rights, as well as those of lecturers, researchers and employees and to fulfil obligations;
- e) registering data as specified in relevant legislation;
- f) the determination, assessing and certifying allowance entitlements specified in legal regulations or in the organisation and operational manual of higher education institutions.

(2) Annex 3 details the scope of data registered pursuant to Paragraph (1), the objective of data control and its duration, as well as conditions set for transmitting the data registered. The data registered may be used for statistical purposes and sent to the official bureau of statistics for statistical purposes.

10. The Higher Education Information System

Section 19

(1) Data required to exercise state scopes of authority in connection with higher education institutions, for planning at the level of the national economy, as well as to exercise the rights of individuals involved in higher education and fulfil their obligations shall be registered in a central database (hereinafter higher education information system). Wherever the present Act refers to central registration, this shall imply the higher education information system.

(2) The higher education information system is an authentic database created in electronic format comprised of the following sub-systems and applications:

- a) higher education institution file registering data specified in the founding charter and operating licence of the higher education institution;
- b) higher education entrance system registering institutional and personal data required for conducting the higher education entrance procedure;
- c) higher education personal file registering the data of students and individuals employed at higher education institutions;
- d) diploma certificate file registering attestations, certificates, annexes, as well as the data relating to the academic degree awarded issued by higher education institutions after the completion of higher education studies;

e) alumni career monitoring system providing data clusters, analysis from sub-systems composing the higher education information system, as well as from data provided by institutional files in a way disabling personal identification,

f) sectoral executive information system supporting state education management and maintainer management providing data clusters, analysis from sub-systems composing the higher education information system, as well as from data provided by institutional files in a way disabling personal identification.

(3) Higher education institutions and institution maintainers shall, as a mandatory requirement, supply data to the higher education information system, as specified in the relevant government decree.

(4) The body responsible for operating the higher education information system may issue

a) an institution registration number (hereinafter institution registration number) to higher education institutions with operating licenses;

b)

ba) lecturer identification number,

bb) lecturer pass requested by lecturers, researchers and associated employees;

to lecturers, researchers and professors employed as public servants or in alternative employment relations

c)

ca) student identification number

b) student pass requested by students

to students.

(5) Pursuant to Point b) of Paragraph (4) or Point c) of Paragraph (4) one individual may only hold one pass or identification number in the higher education information system.

(6) Annex 3 details the scope of data to be controlled within the scope of lecturer and student identification numbers and lecturer, researchers, employee pass and student pass files, the objective of data control and its duration, conditions set for transmitting the data registered, as well as the technical and technological parameters of identification numbers and passes. The rules of procedure governing the issuing of identification numbers and passes are regulated within the scope of a government decree.

CHAPTER VI

TRANSFORMATION AND TERMINATION OF HIGHER EDUCATION INSTITUTIONS

11. Transformation of Higher Education Institutions

Section 20

(1) To coordinate the activities of higher education institutions, institutions may be consolidated (hereinafter consolidation). The maintainer shall decide on consolidation in light of the preliminary opinion of the Senates.

(2) Consolidated higher education institutions may delegate an identical number of members to the preparation committee. The representative of the Minister shall also be delegated to this committee, as well as the representative of the Minister competent for state assets in the case of state institutions.

(3) A new higher education institution shall be established as the outcome of the consolidation procedure, which shall be the legal successor of the consolidated higher education institutions. The procedure for establishing new institutions must be conducted, providing that an expert opinion licensing operations shall not be requested if the scope of activities assumed within the scope of core activities and conditions for institutional operation do not change.

Section 21

(1) The original higher education institution shall cease to operate and new higher education institutions shall be established in the event of the division of the higher education institution. The institutions established shall be the legal successors of the higher education institution which ceases to operate. Legal succession-related decisions shall be made within the framework of the procedure launched in connection with termination and establishment.

(2) The original higher education institution shall continue to operate in the event of division, which ceding organisational unit may be founded as a new organisational unit or linked to an alternative higher education institution.

(3) The integrating higher education institution shall cease to exist in the event of integration and the accommodating higher education institution, as legal successor, shall assume the tasks of the integrated higher education institution.

(4) The procedure for establishing a new institution must be conducted following transformation regulated under Paragraphs (1) to (3) providing that an expert opinion licensing operations shall not be requested if the scope of activities assumed within the scope of core activities and conditions for institutional operation do not change.

(5) Higher education institutions financed from the budget may be integrated into or consolidated with a budgetary body or incorporated into a budgetary body. Higher education institutions financed from the budget may, pursuant to the consent of the Government, be consolidated with higher education institutions not financed from the budget and incorporated into such higher education institutions within the framework of a procedure defined by the Government in separate legislation.

12. Termination of Higher Education Institutions

Section 22

(1) The higher education institution shall be terminated pursuant to the withdrawal of state recognition.

(2) The Government shall initiate the withdrawal of state recognition if

a) the court of justice has ruled that conditions for termination prevail in the given higher education institution;

b) its maintainer ceases to operate without legal successor, or has ceased to operate;

c) its maintainer ceases to exist, or its right to maintain a higher education institution has ceased;

d) its maintainer forfeits or forfeited the right to exercise the above right, except if maintainer rights are assigned to a new maintainer.

(3) Provisions set out in Points b) to d) of Paragraph (2) shall not be applied in respect of state higher education institutions.

(4) The Government shall also initiate the withdrawal of state recognition if the maintainer has made a decision to terminate the higher education institution.

(5) The Government shall also initiate the withdrawal of state recognition if the higher education institution is separated from or incorporated into or consolidated with another higher education institution.

(6) As regards the case outlined in Paragraph (4), termination may take place by following a phasing-out system in a way that those students who have already commenced their studies at a given programme level are able to finish these programmes. Higher education institutions may also be terminated on the final day of the examination period following the given semester, providing that the students are able to continue their studies in an alternative higher education institution.

Section 23

(1) An agreement must be concluded with the higher education institution in which students will continue the programme they have started before the maintainer of the higher education institution intended to be terminated makes their decision.

(2) In the event of termination without legal successor, the maintainer shall be entitled to recuperate the assets of the higher education institution.

(3) The Educational Authority shall publish the final decision made in connection with the higher education institution and its transformation on its website in accordance with provisions stipulated by the Government, as well as on the Ministry website maintained by the Minister.

PART THREE

INDIVIDUALS EMPLOYED IN HIGHER EDUCATION

CHAPTER VII

SCOPE OF INDIVIDUALS EMPLOYED IN HIGHER EDUCATION AND GENERAL RULES GOVERNING EMPLOYMENT

13. Scopes of Employment, Rules Governing Employment

Section 24

(1) Employees employed within the framework of lecturer and professor scopes of employment shall undertake instruction-related tasks in higher education institutions. An academic fellowship may be established in respect of the provision of autonomous research activities.

(2) Other scopes of employment associated with the operation of the higher education institution may also be created.

(3) If the higher education institution sets up a public education, cultural, public archives, healthcare, social, sport or other institute or organisational unit, provisions regulating the given sector, task or activity shall be applied in respect of employees employed at the above-listed units [appointments listed in Paragraphs (1) to (3) shall hereinafter jointly be referred to as employees].

(4) The Act on the Legal Status of Public Servants shall be applied in the case of the employment of employees at a higher education institution financed from the budget, whilst the Labour Code, together with deviations defined in the present Act, shall be applied in other higher education institutions.

(5) A clean criminal record and the prescribed degree and qualifications shall constitute preconditions for employment in higher education.

(6) In regard to the Act on Public Servants

a) contrary to the provisions governing Paragraph (5) of Section 40 of the above Act, provisions governing Paragraph (3) of Section 73 of the present Act shall apply for determining the reward and evaluating the performance of the Rector;

b) obligations related to employment offers and connecting registration set out under Points b) to c) of Paragraph (1) of Section 30/A, as well as Sections 30/B to 30/E shall be applied in respect of higher education institutions financed from the budget.

CHAPTER VIII

*SPECIAL RULES APPLICABLE TO LECTURERS, ACADEMIC RESEARCH FELLOWS
AND INDIVIDUALS EMPLOYED AS LECTURERS*

14. Lecturer Scopes of Employment, Job Titles

Section 25

(1) With the exception of exemptions outlined in Paragraph (3), lecturing activities may be undertaken within the framework of lecturer scopes of employment; within the framework of a civil servant employment relationships established in respect of lecturer employment in higher education institutions financed from the budget and in employment relationships established in respect of lecturer employment in other higher education institutions. Holding a Master degree constitutes a mandatory precondition for employment as a lecturer.

(2) Lecturer and academic research activities may be assumed within the same scope of employment, in which case it is necessary to define the ratio of the incumbent's full or part-time workday in which certain activities shall be provided in the employment contract or the civil servant appointment.

(3) Lecturers may be employed on a contract basis if the nature of the given activity enables this and the time spent on the work carried out does not exceed 60% of total working hours (hereinafter guest lecturer). Provisions set out in Paragraph (2) and (5) of Section 24 shall be applied in the event of the employment of a guest lecturer. Moreover, employment on a contract basis shall also be authorised in the case of ad hoc, not regularly provided lecturing activities. The higher education institution shall be authorised to conclude an assignment agreement with individuals employed as civil servants or contracted by the higher education institution in respect of the provision of lecturing activities outside their respective employment scope.

(4) In higher education institutions, an assignment agreement may be concluded and maintained with individuals with a clean criminal record who have not been banned from undertaking the activity in respect of which the assignment agreement shall be concluded.

(5) Proof exempting disqualification specified in Paragraph (4) shall

a) be presented to the Rector by the individual intended to be contracted before the contract is concluded;

b) be certified by the contracted individual throughout the duration of the contract pursuant to the written request of the appointed Rector, also stating the legal consequences of negligence by presenting an official document, within a period of 15 days following the receipt of the notification, or immediately following the cessation of the reason giving rise to negligence if the contracted individual is unable to present the document within the deadline period for reasons beyond their control.

(6) If the contracted individual is capable of certifying that the grounds for disqualification defined in Paragraph (4) in respect of this individual do not exist, the higher education institution shall reimburse the administration service fee paid by the contracted individual in connection with the procedure launched in order to issue the official document issued by the crime registration body.

(7) The higher education institution shall terminate the assignment contract taking immediate effect if

a) the contracted individual fails to fulfil obligations defined in Point b) of Paragraph (5) within a period of 15 days following the repeated call for compliance and fails to prove that this is attributable to reasons beyond their control;

b) the Rector asserts that the reason for disqualification defined in Paragraph (4) exists based on the content of the official document issued by the crime registration body.

(8) The Rector shall, in order to verify disqualification, control personal data defined in Paragraph (5)

a) up to the date of the decision made on entering into a contract;

b) up to the termination of the contract if a contract has been being concluded and is valid.

Section 26

(1) The lecturer shall dedicate a minimum 10 hours of their full weekly working hours – calculated as the average of two consecutive semesters – to holding lectures, seminars, trainings and consultation (hereinafter time dedicated to teaching) for students. The lecturer shall engage in academic research and shall undertake tasks - as an activity within their scope of employment - associated with the operation of the higher education institution and requiring the expertise of the lecturer as instructed by the employer in time slots in which the lecturer does not work with the students or engage in academic research.

(2) The employer shall be authorised to increase the time spent teaching by 70% or decrease this time by 20% – in accordance with criteria defined in the employment criteria system – providing that the time spent teaching calculated in the case of employees employed as lecturers in higher education institutions may not be less than 12 hours per week per lecturer calculated on the basis on the average for two consecutive semesters. Principles governing the determination of teaching time shall be defined in the employment criteria system on condition that testing and correction-related activities, curriculum development, compiling textbooks and teaching aids and activities associated with preparing for lectures are taken into account when determining the time spent teaching. The increase or decrease calculated may apply for two semesters.

(3) Regardless of how many higher education institutions they hold lectures in, the lecturer shall only be taken into account in one higher education institution when assessing the availability of operating conditions in the institution and determining funding for the higher education institution. The written declaration issued by the lecturer shall determine the higher education institution which shall be taken into account in their case.

15. Entering into and Termination of Lecturer Employment

Section 27

(1) The following scopes of employment may be established in higher education institutions:

a) Assistant Lecturer;

b) Senior Lecturer;

c) College or University Associate Professor;

d) College or University Professor.

(2) Employment as a lecturer entails the awarding of a title identical to that of the position, as well as the right to use this title.

(3) Appointment as college professor by the Prime Minister or appointment as university professor by the President of the Republic as a result of which the incumbent is awarded the relevant title constitutes a precondition for employment as a college or university professor (hereinafter awarding the title of college or university professor). Measures taken by the Prime Minister or the President of the Republic shall constitute a necessary precondition for employment as a college or university professor, as an outcome of which the relevant title is awarded. Ensuring and redeeming the right to use the title of college or university professor – unless otherwise regulated within the scope of special employer measures – shall not result in the establishment or termination of an employment relationship. The Rector exercising employer rights at the given higher education institution shall be authorised to establish or terminate a status aimed at employing the college or university professor.

(4) Rights pertaining to the use of the job title shall terminate upon the termination of employment, with the exception of the title of college or university professor. The given individual shall be authorised to use the title of college or university professor until the Prime Minister or President of the Republic revokes this right.

Section 28

(1) If the employment criteria in the higher education institution does not specify more rigorous regulations

a) enrolment in a PhD course constitutes a precondition for assistant lecturer employment;

b) being a PhD candidate constitutes a precondition for senior lecturer employment, or holding a PhD degree in the case of senior assistant lecturer employment at universities.

(2) Holding a PhD degree, the ability to supervise the academic and art work of students and assistant lecturers, as well as relevant professional experience constitute preconditions for associate professor employment in colleges.

(3) Holding a PhD degree, the ability to supervise the academic and art work of students, PhD candidates and assistant lecturers, as well as the ability to hold a lecture in a foreign language and relevant professional experience acquired in the field of education constitute preconditions for associate professor employment in colleges and universities.

(4) A minimum 10 years of higher education lecturing experience is required for associate professor employment in colleges and universities. It is not necessary to satisfy relevant criteria defined in connection with the duration of lecturer experience in the case of habilitated lecturers.

(5) Holding a PhD degree, habilitation – or its equivalent in international higher education lecturing experience – as well as being internationally acknowledged in the given academic or artistic field and outstanding academic research and artistic work constitute preconditions for professor employment at universities. Based on the experiences acquired in education, research and research management, the incumbent shall have the ability to manage the course, academic and art work of students, PhD candidates and assistant lecturers, write foreign language publications and hold seminars and lectures in a foreign language. The university professor shall be authorised to use the title ‘Professor’.

Section 29

(1) The employment of university and college associate professors and university and colleges professor appointments exceeding one year shall be subject to an open tender procedure. The Rector shall write the call for proposals by taking account of the specifications of the employment criteria system.

(2) Individuals not employed at or by the higher education institution shall also be eligible to submit proposals. The Senate shall assess proposals which comply with employment criteria and shall rank these. The Rector may, in respect of all lecturer scopes of employment, select the incumbent from among the ranked proposals and enter into an employment, public service employment relationship with the given individual. In the case of college or university professor employment, the Rector may initiate the procedure awarding the title of college or university professor before entering into any employment relationship, if the candidate does not hold such a title.

(3) The Rector shall send their proposal – elaborated with the aim of awarding the given title - regarding the awarding the title of college or university professor to the maintainer of the higher education institution in order for the Minister to award the title to the given candidate.

Section 30

(1) Those entitled to use the title of college or university professor may also enter into an employment relationship in the identical position at an alternative employer without having to award a new title.

(2) If the lecturer changes workplaces, or enters into a new or alternative employment, public service relationship, the employer may employ the given individual in a position identical or lower to the position they were employed in at their previous employer.

Section 31

(1) Employment of lecturers shall be terminated if, as of their employment as a lecturer, the given lecturer has failed to satisfy mandatory criteria

a) after a period of 8 years in the case of senior lecturers;

(2) The employment relationship of lecturers who have not obtained an academic degree after a period of 12 years as of their employment in the given position shall also be terminated.

(3) The period during which the incumbent suspended their employment relationship and was on leave for over 90 days because of maternity leave, childcare, to care for a close relative, severe illness, as well as employment in a foreign higher education institution or research institute, or went on a study trip shall not be included in the deadline period defined in Paragraphs (1) to (2). The employment relationship of the lecturer shall terminate upon the expiry of this deadline period.

(4) Individuals employed as a lecturer and research fellow at universities and colleges or in lecturer, research professor and academic consultant position may be employed up to the age of 70. The Rector shall be authorised to terminate the employment relationship in the case of college and university lecturers.

(5) The employer shall be authorised to terminate the employment relationship by means of regular notice or dismissal – beyond the scope defined in the Labour Code or the Act on the Legal Status of Public Servants – if the lecturer

a) failed to meet the criteria defined by the employment criteria system;

b) failed to satisfy the mandatory requirements for filling the position – by setting a suitable deadline – prescribed in the employment contract or document certifying appointment.

c) pursuant to the declaration made in accordance with Paragraph (3) of Section 26, cannot be taken into account in the institution during the course of the assessment of the operating conditions of the institution or the allocation of funding to the given higher education institution. In this case, as regards the provisions regulating employment and public service employment governing the Labour Code or the Act on the Legal Status of Public Servants, provisions regulating dismissal, the grace period and severance pay shall not be applied.

(6) The employer shall terminate the employment of individuals employed in college or university lecturer positions if the Prime Minister has dismissed the college lecturer or the President of the Republic has dismissed the university lecturer by revoking the right to hold the title related to the position. The Rector shall initiate the procedure concerning the revoking of the title awarded in respect of the position of college or university lecturer in accordance with the rules of procedure set out under Paragraph (3) of Section 29.

(7) The Rector shall, as a mandatory requirement, initiate the procedure concerning the revoking of the title awarded in respect of the position of college or university lecturer pursuant to the request of the incumbent, if a legally binding decision engendering dismissal rules that a disciplinary penalty shall be imposed against the college or university lecturer; a legally binding decision has been issued by the court of justice barring the incumbent from employment, or the incumbent has been sentenced to serve a prison term for deliberately committing a crime, which verdict is legally binding. Concurrently to initiating the procedure regulated in the present paragraph, the Rector shall also be obliged to take measures to terminate employment in the college or university lecturer position.

(8) If the incumbent entitled to use the title of the given college or university lecturer position has not entered into an employment relationship with the higher education institution, the Minister shall be authorised to initiate dismissal by revoking the use of the given title associated with the position.

16. Titles not Related to Lecturer Scope of Activities

Section 32

(1) The Senate shall be entitled to award the title of Professor Emeritus or Professor Emerita (hereinafter jointly referred to as Professor Emeritus) to the holders of a college or university lecturer title whose employment has been terminated in view of retirement. Entitlements in respect of the Professor Emeritus title, educational and other obligations, remuneration, as well as the duration of these shall be defined within the scope of the higher education employment criteria system.

(2) The Senate shall be entitled to award the following titles to guest lecturers:

- a) private lecturer, if the incumbent holds a doctoral degree;
- b) honorary university of college associate professor or honorary college or university professor, if the incumbent is a nationally acknowledged expert;
- c) master lecturer, if the incumbent performs outstanding practical course work.

(3) The Senate shall be entitled to award the title of master lecturer to lecturers and professors employed as lecturers or professors at the higher education institution performing outstanding practical course work.

(4) Individuals holding titles listed in Paragraph (2) may, in exceptional cases pursuant to the Senate's decision, be employed as professors.

(5) Criteria applied in respect of the awarding and revoking of titles listed above under Paragraphs (2) to (3), the rules of procedure governing awarding, remuneration associated with the title and the rules of procedure governing the revoking of the title shall be defined within the scope of the higher education employment criteria system.

17. Research Fellows

Section 33

(1) Individuals spending at least 90% of their full work time on academic research activities at the higher education institution on the grounds of their employment contract or as set out in their public service appointment and also engaging in activities associated with teaching at the higher education institution as a part of their scope of work must, as a mandatory requirement, be employed in academic research positions.

(2) The following research positions may be created in higher education institutions:

- a) Assistant Research Fellow,
- b) Research Fellow,
- c) Senior Research Fellow,
- d) Research Consultant,
- e) Research Professor.

(3) Among others, provisions governing Paragraphs (1) to (3) of Section 25, Paragraph (3) of Section 26, Paragraph (2) of Section 27, Paragraphs (1) to (2) of Section 29 and Paragraph (2) of Section 30 shall be applied to the employment of research fellows with the specification that based on the open tender procedure, the incumbent shall be employed in the position of research professor, research consultant or senior research fellow position for a duration of more than 1 year and that the title of contracted researcher shall refer to guest lecturer. The higher education institution may only enter into further assignment contracts or other civil law

legal relationships with the individual they employ in a research position if the given research activity is not undertaken in their respective scope of research activities and the research is carried out within the framework of an external contract. An assignment contract shall be concluded in respect of research not undertaken as an activity related to the position.

18. Lecturer Scopes of Work

Section 34

(1) Individuals holding higher education degrees and qualifications may be employed as lecturers.

(2) Provisions set out under Paragraphs (1) to (3) of Section 25 shall be applied to the employment of lecturers. The time spent teaching in their case shall be 20 hours per week calculated as the average of two consecutive semesters. The employer shall be authorised to increase or decrease the time spent teaching by 15% – in accordance with criteria defined in the employment criteria system – providing that the time spent teaching calculated in the case of employees employed as lecturers at higher education institutions may not be less than 18 hours per week per lecturer calculated on the basis on the average for two consecutive semesters.

(3) Contrary to provisions set out above governing Paragraph (2), the time spent teaching calculated in the case of lecturers employed in teacher's training programmes and lecturers lecturing in technical methodology shall be 18 hours per week per lecturer calculated on the basis on the average for two consecutive semesters. The employer shall be authorised to increase or decrease the time spent teaching by 15% – in accordance with criteria defined in the employment criteria system – providing that the time spent teaching calculated in the case of employees employed as lecturers in higher education institutions may not be less than 12 hours per week per lecturer calculated on the basis on the average for two consecutive semesters.

19. Rights and Obligations of Individuals Employed as Lecturers

Section 35

(1) Individuals employed in lecturer positions shall be entitled to the right to perform educational activities in accordance with their world view, ideology and values without encouraging or coercing students to accept these; set the syllabus within the framework of the educational programme and nominate the educational and methodological methods/techniques they intend to apply. Individuals employed in lecturer positions, PhD candidates engaging in educational activities, as well as guest lecturers shall be entitled to the same rights.

(2) The individual assuming educational activities shall be obliged to convey knowledge and information in an objective and manifold manner; undertake evaluation in compliance with the approved curriculum; respect the human dignity and rights of the student and take account of the individual skills and abilities, talent and disabilities of students during the provision of educational activities.

(3) Individuals employed as lecturers, professors and research fellows shall qualify as an individual assuming a public duty protected under criminal law against acts committed by students during the course of the provision of educational activities.

(4) Lecturers, professors and research fellows employed within the framework of employment contracts or public service employment relations shall be authorised to take advantage of discounts offered to lecturers by presenting their lecturer pass. This pass shall qualify as an official document.

(5) Lecturers, professors and research fellows employed within the framework of employment contracts or public service employment relations may initiate the procedure of the Commissioner for Educational Rights.

20. Wages, Stipends

Section 36

(1) The salary or stipends (hereinafter monthly pay) of individuals employed as lecturers and research fellows in the higher education institution shall be calculated on the grounds of the guaranteed salary specified in respect of the position of lecturer in salary grade 1 defined in the Annual Budget Act by applying Annex 2 of the Act on the Legal Status of Public Servants.

(2) The Government shall define the remuneration of individuals employed in a teaching position on the basis of salary grades defined in a separate decree on the career scheme of teachers.

(3) From 1 March of the current year to the end of February of the following year, the monthly salary (wage, remuneration) of employees working at higher education institutions financed from the budget may not exceed 10-times the rate of the average monthly income before tax valid in the national economy in the previous year officially published by the Hungarian Central Statistical Office.

CHAPTER IX

EXECUTIVE POSITIONS AND EXECUTIVE APPOINTMENTS

21. Entering into an Executive Appointment

Section 37

(1) Based on the organisation and operational manual, the following higher executive appointments may be made in higher education institutions:

- a) Rector,
- b) Vice Rector,
- c) Director,
- d) Dean,
- e) Chief Financial Director, or Financial Director if the former position does not exist,
- f) Head of Office undertaking administrative duties (Secretary or alternative title defined in the organisation and operational manual).

(2) Based on the organisation and operational manual, beyond the positions listed above under Paragraph (1), the following executive appointments may be made in higher education institutions:

- a) Deputies to the positions listed above under Paragraph (1), with the exception of Points a) and b);
- b) Heads and the deputies of organisational units.

(3) Individuals appointed to the executive positions listed above under Paragraphs (1) and (2) shall be offered a three to five-year definite duration contract, whilst individuals appointed to the executive positions listed above under Point f) of Paragraph (1) and Paragraph (2) may be extended several times. An open tender shall be announced in the case of executive appointments listed in Paragraphs (1) and (2).

(4) The Senate shall issue an opinion in connection with all applications submitted in respect of the position of Rector. The maintainer shall make a decision on the appointment of the Rector.

(5) With the exception of cases listed in Paragraph (4), the Senate shall make decisions in respect of the rank-order of applications submitted in connection with higher executive and executive appointments. With the exception of cases listed in Paragraph (4), the Senate shall send its decision to the Rector. The Rector shall make a decision on appointment by taking due consideration of the opinion of the Senate. The Rector shall forward the ranked applications for the position of financial director and internal auditor director to the maintainer. If, in accordance with Point f) of Paragraph (3) of Section 73, the individual authorised to enter into an employment relationship is not identical to the individual exercising the scope of authority of the given appointment in the case of the appointment of the financial director or head of the internal audit unit, the individual exercising the right to make appointments shall conclude a public service employment contract with the designated individual.

(6) Individuals appointed to higher executive-level and executive positions may be employed until they reach the age of 65.

(7) Provisions governing Paragraphs (1) to (6) shall, in the case of employers falling under the scope of the Labour Code, be applied with the difference that an executive appointment shall refer to an employee appointed to an executive position.

(8) Provisions governing Paragraph (3) of Section 29 shall be applied in respect of the procedure related to the appointment or dismissal of the college rector or university rector on condition that the Prime Minister shall be authorised to appoint and dismiss college rectors.

CHAPTER X

PROTECTION AND RECONCILIATION OF INTERESTS

22. The Higher Education and Institutional Interest Reconciliation Council

Section 38

(1) Major issues of higher education sector importance concerning occupational matters, social issues, life circumstances, working conditions, as well as staff remuneration shall be negotiated within the framework of the Higher Education Interest Reconciliation Council. The representatives of the leading unions of the sector, the representative of the Hungarian Rectors' Conference, the representatives of the Minister and ministers with vested interests in educational programmes shall take part in the work of the Higher Education Interest Reconciliation Council.

(2) The institution's union and the Institutional Reconciliation Council (hereinafter Council) integrating the employer may operate in the higher education institution. The higher education institution and the institution's union shall define the organisational structure and rules of procedure of the Council in an agreement.

(3) Pursuant to the initiative of the union operating in the higher education institution, setting up and operating the Council shall be deemed compulsory.

PART FOUR

THE STUDENT

CHAPTER XI

STUDENT ENROLMENT, RIGHTS AND OBLIGATIONS

23. Entrance and Enrolment

Section 39

(1) Every Hungarian citizen shall have the right to undertake studies in programmes fully or partially financed through scholarships granted by the Hungarian state [hereinafter jointly referred to full or partial state scholarships] or pay full tuition. In addition, this right shall extend to

- a) persons enjoying the right to freedom of movement and stay specified in separate legislation;
- b) refugees, asylum seekers, persons admitted, immigrants and settled persons not falling under the scope of Point a);
- c) foreign nationals treated identically to Hungarian citizens on the grounds of international treaties and conventions;
- d) citizens of countries in which Hungarian citizens are entitled to use state higher education services based on the principle of reciprocity;
- e) persons living in neighbouring countries falling under the scope of the Act on Hungarians Living in Neighbouring Countries (hereinafter Preferential Act), however, not possessing Hungarian citizenship or enjoying the right to freedom of movement and stay;
- f) citizens of third countries identifying themselves as a Hungarian national in accordance with the Act on the Entry and Stay of Nationals of Third Countries, on condition that the individual does not fall under the scope of the Preferential Act and does not possess Hungarian citizenship;
- g) citizens of third countries issued a permit (EU Blue Card) authorising stay and employment in areas in which high-level qualifications are required.

(2) Individuals not specified above under Paragraph (1) shall be required to pay the full tuition fee.

(3) The student shall acquire a student status through enrolment on the grounds of the decision made in respect of their acceptance or transfer. A Student grant contract shall be concluded with the student (financed through state grant) prior to enrolment in accordance with the conditions described in section 15 (2) (6), or a study contract shall be concluded in case of self-financed students. Annex 5 contains the conditions how the Authority shall register personal data, the aim and length of data management and forwarding of data.

(4) Prospective students applying for entrance may submit a maximum of 5 applications during a single entrance procedure. If the prospective student equally applies for state-financed, partially financed, as well as full-paid tuition places in the same faculty or department, this shall qualify as one application.

(5) The higher education institution shall make its decision in connection with entrance on the grounds of the performance of applicants, the maximum number of students and the set number of students which may be granted entrance into the given higher education institution, as well as – except in the case of Master programmes - the standard national rank-order taking account of the order specified by the applicant in the case of application for entry into higher education vocational programmes, Bachelor programmes, Master course and single-cycle degrees. The applicant may win entrance into one course during one entrance procedure.

(6) The higher education institution shall make its decision in connection with entrance on the grounds of the performance of applicants, the maximum number of students and the set number of students which may be granted entrance into the given higher education institution, as well as the order specified by the applicants, by taking account of the number of students of

students that may accepted to programmes financed or partially financed through state scholarships, in the case of special programmes and doctoral programmes.

(7) Students accepted shall enter into a legal relationship in the semester they were accepted in within the framework of the entrance procedure.

Section 40

(1) Passing the secondary school leaving examination constitutes a precondition for entrance into higher education vocational training. The higher education institution shall make admission subject to rational health, professional and aptitude-related criteria which do not engender discrimination; passing health and aptitude tests or examinations during secondary school, as well as secondary school leaving examination results and vocational qualifications.

(2) The following may constitute preconditions for entry into Bachelorcourse and single-cycle long programmes

- a) passing the secondary school leaving examination ;
- b) foreign language skills of a specific level;
- c) health test, *Attestation of competence*, aptitude testing.

(3) At least two years before the entrance procedure

- a) the Government shall define secondary school leaving examination -criteria in the case of entrance into higher education institutions within the scope of a Government decree;
- b) higher education institutions offering programmes in the same faculty or department shall define standard examination criteria for each faculty or department.

(4) Prospective students that have obtained a Bachelor programme degree and diploma certifying qualifications and have at least passed one intermediate level Type C state language examination – intermediate (B2 level) general language exam certificate – or any equivalent language exam may be accepted to Master programmes. Prospective students who have obtained a degree and qualifications in Master programmes may be accepted in Master programmes offering programmes culminating in the Master degree.

(5) Prospective students that have obtained a degree and qualifications in a Bachelor programme or Master programmes may be accepted in specialist postgraduate programmes. Employment in a specific area, a set period of professional experience, as well as holding qualifications may be deemed to constitute preconditions for acceptance in the case of special educational programmes.

(6) Prospective students that have obtained a degree and qualifications in a Master programme and have at least passed one intermediate level Type C state language examination – intermediate (B2 level) general language exam certificate – or any equivalent language exam may be accepted to doctoral programmes.

(7) The higher education institution shall define further preconditions for entry into Master programmes, specialist postgraduate programme and doctoral programmes on condition that the higher education institution shall apply the same entrance criteria regardless of where the prospective student obtained their higher education diploma.

Section 41

(1) The Government shall ensure equal opportunity for applicants belonging to the categories listed below during the course of determining the number of students whose degrees shall be financed by the state and performance criteria in respect of the entrance exam:

- a) disadvantaged students;
- b) persons on unpaid leave to care for their children, or persons receiving maternity, child-welfare or child-care benefits;

- c) applicants with disabilities;
- d) national minority applicants.

(2) Applicants shall not be exempted from fulfilling the Bachelor programme requirements necessary for obtaining qualifications certified by a diploma acquired in higher education vocational training, Bachelor and Master programmes during the course of the fulfilment of specifications set out under Paragraph (1).

24. Rights which May Be Exercised by the Applicant or Student Enrolled, Student Obligations

Section 42

(1) The student

a) shall be entitled to enter into a guest student status to study extra programmes related to their main course;

b) may request transfer to an identical or another faculty or department of another higher education institution in the same educational cycle and field of study.

(2) The higher education institution may accept individuals with higher education qualifications who have not entered into a student status with the given higher education institution within the framework of a student status in any given course or module offered at the institution without having to make this individual go through the entrance procedure, in which case the student shall pay the full tuition fee. The higher education institution shall be obliged to issue a certificate attesting course performance. The course or module completed shall be accredited in accordance with rules governing credit transfer.

(3) The recipient higher education institution shall define conditions for satisfying requests made in accordance with Paragraphs (1) to (2).

(4) Students accepted or transferred to the higher education institution shall establish a student status by enrolling.

(5) Further enrolment shall not be required throughout the duration of the student status. The student shall be required to register for the given educational period in accordance with specifications set out in the institution's regulation prior to the start of the educational period. Students that have failed to settle overdue payment obligations shall not be entitled to apply.

Section 43

(1) The student shall have the right to receive full, accurate and accessible information for commencing and continuing their studies, defining their study schedule and using educational opportunities and capacities available in the higher education institution and be provided services accommodated to their personal state, ability or disability.

(2) The student shall be obliged to

a) comply with the rules incorporated in the regulation of the higher education institution;

b) respect the traditions of the higher education institution.

25. Rules Governing Student Employment

Section 44

(1) The student may work on the grounds of a student employment contract

a) within the framework of the educational programme, as well as practical training or practical courses offered as a part of the course in the given institution, the business association founded by the institution or at external training site.

b) at the higher education institution in an area not directly connecting to the educational programme or in the business association founded by higher education institution.

(2) Provisions governing the Labour Code shall apply to the employment of students working on the grounds of a student employment contract. When the Government determines the regulations regarding the student employment contract, it shall establish more favourable conditions than those present in the Labour Code.

(3) The student

a) shall be entitled to receive the remuneration in the cases set out under Point a) of Paragraph (1) or in the event of continuous practical training reaching a duration of 6 weeks, the weekly rate of which shall at least amount to the equivalent of 15% of the minimum compulsory wage (minimum wage) and shall, unless otherwise specified, be paid by the practical training unit on the grounds of an agreement concluded between the parties in cases set out under Point b) of Paragraph (1), in exchange for which the ownership rights of things created by the student within the scope of this legal relationship, or intellectual property rights shall, unless otherwise specified, be transferred to the higher education institution or the business organisation founded by the former.

(4) Entities offering practical training shall be obliged to conclude a liability insurance contract in favour of the student taking part in higher education vocational training.

(5) The following deviations shall be applied in relation to specifications stipulated under Point a) of Paragraph (3) of this Section in respect of the educational and research activities of PhD candidates:

a) within the framework of their course, PhD candidates may be obliged to engage in work in educational and research activities at the institution for a period equivalent to 20% of their full weekly work time;

b) the work time of PhD candidates – together with the work set out under Point a) – may not exceed 50% of their full weekly work time based on the average for a semester;

c) the work schedule of PhD candidates shall be devised in a way that the student shall be capable of satisfying obligations related to taking and preparing for exams;

d) in the event of employment making up 50% of the full work time, the monthly remuneration paid may not be less than the lowest minimum compulsory wage (minimum wage), or its proportional rate in the case of alternative employment.

26. Interruption, Suspension of the Student Status

Section 45

(1) The student's status shall be interrupted if the student declares that they do not intend to fulfil student obligations during the next semester, or fails to register for the next semester. The total combined duration of the period over which the student may interrupt their studies may not exceed two semesters. Students may suspend their status several times, in accordance with specifications stipulated in the course and examination regulation.

(2) Pursuant to the request of the student, the institution may equally authorise the suspension of student enrolment

a) for a combined period exceeding the duration set out under Paragraph (1), or

b) if relevant provisions have not been defined in this regard in the institution's regulation on condition that the student is unable to fulfil obligations ensuing from their student status for reasons beyond their control, because of child-birth, an accident or illness, or other unforeseen reason.

(3) The student's status shall be suspended if the student has been barred from continuing their studies after a disciplinary penalty was imposed against the student.

CHAPTER XII

STUDENTS (PARTIALLY) FINANCED BY THE HUNGARIAN STATE OR PAYING FOR THEIR STUDIES

27. Forms of Payment

Section 46

(1) In accordance with the form of tuition payment in higher education, the student may

- a) be a student financed through a state scholarship;
- b) be a student partially financed through a state scholarship,
- c) pay the full tuition fee.

(2) The state shall ensure student loans in accordance with the specifications stipulated within the scope of a Government Decree for the scope of students defined above under Paragraph (1).

(3) The full cost of studies of students at state funded places and half of the cost of studies of students receiving partial state scholarship shall be born by the state, whilst the student shall pay the full tuition fee if waivers are not offered. The Authority –responsible for the registration of the (partial) student grants – can establish repayment obligation similar to tax collecting procedure. Regardless of its relevant rules of procedure, students enrolled in any given study cycle, higher education vocational education or specialist postgraduate programme may be fully or partially financed through a state scholarship.

(4) In the year preceding the date of the entrance exam, the Government shall, in view of provisions stipulated in Section 41, determine the number of students which may be accepted and either fully or partially financed through state scholarships and shall issue a decision in respect of the division of the cycles, fields and rules of procedure of the former. The National Economic and Social Council shall be consulted in respect of the Government's proposal in connection with setting the number of students fully or partially financed through state scholarships which may be accepted to the given study programme. The Government shall be informed about the Council's position, as well as opinions issued in this regard by economic chambers.

(5) After requesting the position of the Higher Education Planning Committee, the Minister shall issue a decision in respect of the number of students and their division among higher education institutions as specified under Paragraph (4).

(6) When making decisions defined in Paragraphs (4) to (5), the Government and the Minister shall take the following into account:

- a) national strategic and rural development strategic objectives;
- b) labour market forecasts for the mid-term and long-term;
- c) alumni career monitoring data;
- d) the ratio of Bachelor and single-cycle long programmes launched in the given field of study,

(7) The Minister publishes comprehensive information annually until 31 December prior to the admission procedure which, in regard to entrance procedures, shall contain every information required for submitting applications.

28./A

Student Grant contract

48/A. § A student (partially) financed through state grant shall be obliged, under the student grant contract and in consideration of the provisions of Section 48/B. § hereunder,

a) to acquire the degree awarded at the end of the programme (partially) financed through state grant in which he/she is enrolled within the study period determined in consideration of the provisions of Section 48. § (4) of the HEA, but no later than one and a half times the length of studies determined in the programme and outcome requirements, and

b) within twenty years after acquisition of the degree, to enter into and maintain employment or other work related status resulting in social insurance with an employer under Hungarian jurisdiction or undertake entrepreneurship under Hungarian jurisdiction (hereinafter: Hungarian employment) for a duration twice the length of the period during which he/she received (partial) state grant;

c) to pay the Hungarian State, as a flat rate sum, 50% of the state grant under Section 48/C. § (1) a) hereunder extended by the Hungarian State to finance the student's studies in the event he/she fails to acquire a degree in the context of the programme (partially) financed through state grant before the deadline set out in Paragraph a), or

d) to repay the Hungarian State the amount of the state grant under Section 48/C. § (1) a) extended by the Hungarian State to finance the student's studies increased by the basic interest rate of the National Monetary Bank as of the last day preceding the semester in which repayment is due plus three percent in the event he/she fails to enter into or maintain Hungarian employment as described in Section b) after graduation.

48/B. § (1) The obligation set out in Section 48/A. § b) may be met in several stages.

(2) Should a student (partially) financed through state grant change for a different form of financing whilst studying in a programme (partially) financed through state grant and continue his/her studies as a self-financed student, he/she shall be liable to comply with the obligations set out in Sections 48/A. § b)–d) only for the period when he/she received (partial) state grant.

(3) Persons falling within the scope of the Act on Hungarians Living in Neighbouring Countries may comply with their obligation under Section 48/A. § b) in their country of origin.

(4) A holder of (partial) state grant involved in religious education shall be exempted from the obligations set out in Sections 48/A. § b) and d).

(5) When calculating the completed duration of Hungarian employment, the period of employment status in the case of persons undertaking voluntary military service, and the period of employment or other work related status resulting in social insurance in the country of origin in the case of persons falling within the scope of the Act on Hungarians Living in Neighbouring Countries shall count double.

(6) The provisions set out herein shall be applicable for students reclassified from self-financed studies to studies (partially) financed by state grant, as well as for students assuming student status as a result of transfer to programmes (partially) financed through state grant.

(7) If a student studies in parallel programmes or acquires several degrees in succession, the obligation described in Sections 48/A. § b) and d) shall count from the date of awarding the first degree, and shall be met in respect of each programme.

(8) The obligation under Section 48/A. a) does not limit the right to mid-course change to another programme. In cases of change of programme the legal length of studies of the new programme shall be considered in respect of compliance with the contractual obligations.

48/C. § (1) Under the student grant contract the Hungarian State shall:

- a) provide the higher education institution with the costs of the studies of the student (partially) supported by state grant (hereinafter: state grant) for the support period the student spends in the given institution or until the termination of his/her student status,
 - b) rely on employment policy means in an effort to provide appropriate jobs for holders of (partial) state grant after the completion of their training (partially) financed by state grant.
- (2) The amount of the state grant shall be equivalent to the tuition fees as determined by the higher education institution in accordance with the relevant legal regulations for the active semesters when the student is (partially) financed through state grant. In the context of student grant contracts, an active semester is a semester for which the student (partially) financed through state grant signed up.
- (3) For students partially financed through state grant the amount of state grant for a given semester shall be fifty percent of the state grant paid for a student fully financed through state grant in the same semester of the same programme.
- (4) If the student is involved in a programme (partially) financed through state grant that is not offered on a fee paying basis, the calculations set out in Subsection (3) shall be based on the lowest tuition fee established by other higher education institutions for the same programme.

48/D. § (1) The student grant contract shall contain the conditions set out in Sections 48/A-48/C. §.

- (2) The Authority – responsible for the registration of state grants - (hereinafter: the Authority) shall inform the student classified for a programme (partially) financed through state grant of the conditions of creating a student status as well as the provisions of the student grant contract related to the programme (partially) financed through state grant in its classification decision determined by the relevant government decree on the rules of admission procedure in higher education institutions.
- (3) Conclusion of a student grant contract shall be part of the enrolment procedure.
- (4) The student grant contract shall be concluded between the student admitted in higher education and the Authority acting on behalf of the Hungarian State.
- (5) A student (partially) financed through state grant must send the Authority the signed copy of the student grant contract within eight days.

48/E. § (1) By signing the student grant contract the student admitted in higher education agrees that the higher education institution with which he/she creates student status may keep a copy of the signed student grant contract and manage the data contained therein for the duration of his/her student status.

(2) By signing the student grant contract the student admitted in higher education agrees that he/she will provide the data determined in the contract, as well as the data necessary for tracking and supervising compliance with the obligations set out in the student grant contract for the Authority in the way specified in the student grant contract, and consents to the Authority's management of his/her personal and status related data related to his/her studies (partially) financed through state grant during the term of the student grant contract.

(3) By signing the student grant contract the student admitted in higher education agrees that in case he/she fails to provide the data determined in Subsection (2), or if such data need to be checked, in order to track and supervise compliance with the obligations set out in the student grant contract the Authority is entitled to obtain the following data of the student (partially) financed through state grant from the personal data and address register, employment centres and branch offices, the Hungarian Treasury, the national health insurance administration, the pension administration, the tax agency, and the local government of his/her place of residence:

- a) personal identification data,

- b) data of permanent and temporary addresses,
- c) data related to Hungarian employment(s) and its (their) duration,
- d) data related to registration as a jobseeker and as determined by the Act on the Promotion of Employment and Unemployment Benefits, as well as related to the period spent in job seeking,
- e) data related to eligibility to maternity allowance and its duration,
- f) data related to eligibility to child care allowance and its duration,
- g) data related to eligibility to child care fee and its duration,
- h) data related to disability and its duration,
- i) the date of reaching pension age.

(4) By signing the student grant contract the student admitted in higher education agrees that the Authority may contact him/her electronically in the course of implementing its rights and complying with its obligations set herein.

48/F. § (1) The student grant contract is concluded for an indefinite term.

(2) The student grant contract shall terminate once the student (partially) financed through state grant complied with his/her contractual obligations, or is exempted from such obligations as determined herein.

48/G. § The higher education institution shall

- a) receive a signed copy of the grant contract concluded with a student (partially) financed through state grant, and keep such contract for the duration of the student status,
- b) make sure that the creation of student status in conjunction with a programme (partially) financed through state grant and the date of graduation is entered in the studies administration records,
- c) provide the data set out in Paragraph b) for the Authority.

48/H. § In respect of students (partially) financed through state grant, the Authority shall keep record of

- a) the signed student grant contracts and the data therein,
- b) the data related to each programme (partially) financed through state grant commenced by the student (partially) financed through state grant, in particular
 - ba) the number of active semesters taken for completion of the training and the tuition fee for the semesters,
 - bb) the date of commencement of studies and the date of graduation,
- c) after the conclusion of each semester, the current amount of state grant engaged.

48/I. § (1) Based on its records the Authority shall annually inform the student (partially) financed through state grant about the current amount of the state grant engaged.

(2) The Authority shall inform the former student (partially) financed through state grant about the entire amount of the state grant engaged by him/her in the course of studies not later than sixty days from graduation in a programme (partially) financed through state grant or, in the case of a student who has not completed the programme, from the date of termination of student status. For the purposes of this Provision, the date of graduation shall be the date of the pre-degree certificate.

48/J. § (1) During the term of the student grant contract the Authority shall track the employment pathway of the student (partially) financed through state grant.

(2) After graduation in a programme (partially) financed through state grant or, in the case of a student who has not completed the programme, after the date of termination of student status, the Authority shall annually inform the former student (partially) financed through

state grant about the amount of the state grant outstanding under the obligation set out in the student grant contract.

48/K. § Keeping record of graduation and Hungarian employment, as well as of repayment obligation of the state grant and of exemption from such obligation shall be the responsibility of the Authority in the first instance, and of the minister in charge of education in the second instance, applying the provisions of the Act on the General Rules of Administrative Proceedings and Services.

48/L. § The following shall be count towards the duration of Hungarian employment:

- a) duration of payment of maternity allowance, child care allowance and child care fee,
- b) the duration that the former student (partially) financed through state grant was eligible for job seeker's benefit and unemployment benefit pursuant to the Act on the Promotion of Employment and Unemployment Benefits.

48/M. § (1) A former student (partially) financed through state grant giving birth to at least three children shall be exempted from the obligation under the student grant contract pursuant to Sections 48/A. § a) and c).

(2) A former student (partially) financed through state grant with multiple disadvantages shall be exempted from the obligation under the student grant contract pursuant to Section 48/A. § c).

(3) A former student (partially) financed through state grant shall be exempted from some of the obligation under the student grant contract pursuant to Section 48/A. § d) if he/she enters into and maintains Hungarian employment under this Law during the repayment period. The exemption shall be pro rata of the duration of employment.

48/N. § (1) Upon the request of the former student (partially) financed through state grant the Authority may grant temporary suspension of compliance with the obligation undertaken in the student grant contract pursuant to Section 48/A. § a) of this Law in consideration of studies:

- a) taken up in a foreign higher education institution,
- b) pursued in the context of adult education in the interest of acquiring a state language proficiency certificate.

(2) Suspension may be granted no more than twice for a maximum total period of two years, always provided that the student (partially) financed through state grant serves proof of the following:

- a) the foreign higher education institution and the studies therein are respectively considered to be higher education institution and higher education studies under the law of the state in question,
- b) the studies for acquisition of a state language proficiency certificate take place in the context of adult education.

(3) Upon the request of the former student (partially) financed through state grant the Authority may grant exemption of compliance with the obligation undertaken in the student grant contract pursuant to Section 48/A. § c) of this Law if the former student enters into Hungarian employment and maintains it for a period of twice the legal length of studies determined for the programme he/she has not completed.

48/O. § (1) Upon the request of the former student (partially) financed through state grant the Authority may grant exemption from compliance with the obligation undertaken in the

student grant contract pursuant to Section 48/A. § a) of this Law if the student is unable to graduate due to long-term illness or an accident, or childbirth.

(2) Upon the request of the former student (partially) financed through state grant the Authority may grant exemption or partial exemption from compliance with the obligation undertaken in the student grant contract pursuant to Sections 48/A. § b)–d) of this Law if the student is unable to comply with his/her obligations due to

- a) disability,
- b) long-term illness or an accident, or childbirth,
- c) bringing up two or more children.

(3) The Authority may grant the preference set out in Section (2) c) to only one of the parents in respect of the same children.

48/P. § (1) If the Authority establishes the repayment obligation of a former student (partially) financed through state grant, it passes a decision to that effect. The state grant shall be repaid not later than the 30th day following the effective date of the decision (due date).

(2) The decision set out in Subsection (1) shall contain the following, in addition to the elements provided for by the Act on the General Rules of Administrative Proceedings and Services:

- a) the amount of state grant to be repaid. As well as the method of its calculation,
- b) information regarding the conditions for repayment in instalments and of the method of application for instalment repayment,
- c) *information regarding enforcement of repayment.*

(3) The employer of the former student (partially) financed through state grant or another person may undertake repayment of the full amount of state grant or a portion thereof by submitting a relevant statement to the Authority.

(4) The obligation of repayment is an individual obligation and shall not burden the person's estate.

48/Q. § Upon the request of the former student (partially) financed through state grant the Authority may grant repayment in instalments

- a) for a maximum of ten years in the case of a state grant under five million forints,
- b) or a maximum of fifteen years in the case of a state grant in excess of five million forints.

48/R. § (1) In order to enforce the claim of the Hungarian State, the Authority shall send the tax agency a copy of the effective decision establishing the repayment obligation, complete with the data regarding enforcement, if the former student (partially) financed through state grant or the person undertaking repayment obligation in accordance with Section 48/P. § (3), to the extent such obligation is undertaken,

- a) fails to meet the repayment obligation determined in the effective decision by the deadline stipulated, and
- b) fails to submit an application for repayment in instalments or another application set out herein, or fails to comply with the effective decision regarding such application by the deadline stipulated.

(2) In the proceeding for enforcement of the repayment obligation the tax agency shall take action to register the right to legal enforcement to the benefit of the Hungarian State.

48/S. § Payments made pursuant to the obligation set out in Sections 48/A. § c)–d) shall constitute state revenue.

Duration of Studies Financed by the State: Classification and Re-classification

Section 47

(1) One person may be enrolled in higher education vocational programmes, Bachelor programmes a Master programme as a student fully or partially financed through a state scholarship (hereinafter financing period) for a maximum duration of 12 semesters. The maximum financing period is 14 semesters, if the student is enrolled in single-cycle long programmes and the duration of the period of education exceeds 10 semesters in accordance with set criteria.

(2) The financing period for students enrolled in doctoral programmes may not exceed a maximum duration of 6 semesters.

(3) The financing period required for obtaining a given degree (diploma) may be extended by a maximum duration of 2 semesters. The financial period used earlier in an identical programme shall be included in the financing period of the given programme. If the student is unable to obtain the given degree (diploma) throughout the duration of the financing period defined above, the student shall be entitled to continue their studies in the same programme, however, by paying the full tuition fee, even if they have not run out of the financing period defined in Paragraph (1), providing that the institution has free capacities.

(4) The higher education institution may prolong the financing period of disabled students by a maximum period of 4 semesters.

(5) Every semester the student registers in shall qualify as a financing period used by the student.

(6) The following do not need to be taken into consideration when calculating the financing period:

a) the semester commenced, if the student did not manage to finish the semester because of child-birth, illness or any other reasons beyond the student's control;

b) the semester completed in the financing period if the higher education institution ceased to operate without allowing the student to complete their programme on condition that the student was unable to continue the programme at another higher education institution;

c) the semester completed at the dissolved institution, not recognised by the higher education institution the student transferred to.

(7) Holding a higher education degree and qualifications shall not constitute an exclusion for enrolment in a programme fully or partially financed through state scholarships, providing that if students enrolled in a degree programme fully or partially financed by the state enrol in additional, fully or partially state funded programmes within the same cycle, the number of semesters undertaken in the additional programmes shall be deducted in each semester from the financing period.

(8) If the student exceeds the financing period available as specified in the present Section, the student may only continue to study in higher education by paying the full tuition fee.

Section 48

(1) The student shall be classified in the full or partially state financed or full tuition course category.

(2) Every semester, the higher education institution shall reallocate state-financed students that have failed to pass at least 50% of the credits specified in the recommended syllabus, or the grade average recommended in the institution's organisation and operational manual in the last two semesters during which the student's status was not suspended into the full tuition category.

(3) If the status of the state-financed student accepted to the institution terminates before completing the programme, or the student, for whatever reason, continues their studies by paying full tuition, the place of this student may – if a relevant request has been submitted in this regard – be replaced by a student paying the full tuition fee. The higher education institution shall make its decision in respect of the request submitted in connection with the reallocation of the student in the state-financed category on the grounds of student performance.

CHAPTER XIII

FULFILMENT OF STUDY OBLIGATIONS

29. Programme Requirements and the Evaluation of the Performance of Students

Section 49

(1) During the period of education in the higher education institution, the fulfilment of academic requirements related to specific modules and syllabus units shall be expressed in points (hereinafter credit) and by awarding marks. The number of credits obtained shall express the progress made by the student during their studies, whilst the marks shall express quality.

(2) Students shall be granted the opportunity to enrol for optional course units specified in the operation and organisational manual of the institution up to five percent of the credits required for the award of the diploma (or have the alternative option of engaging in volunteer work), and shall be offered a range of credit-earning course-units to select from at least twenty percent in excess of the total number of credits required. It is necessary to ensure that the student has the option of taking 10% more credits in relation to the total number of prescribed credits without having to pay extra tuition fee for these.

(3) The student shall be entitled to take credits offered in other degree programmes of the higher education institution the student has enrolled to and may also take these as a guest student at other higher education institutions.

(4) The higher education institution shall publish a recommended curriculum for putting the student's study schedule together. The higher education institution shall ensure that each student is tested and that both successful and unsuccessful examinations may be repeated by ensuring that the repeated exam is arranged and evaluated in an unbiased manner.

(5) One credit may be given after successfully completing one course unit. Based on the prescribed outcome requirement of a given module, credits may exclusively be recognised by testing, comparing knowledge serving as a basis for giving the credit. The credit must be recognised if at least 75% of the knowledge tested corresponds to set requisites. The committee set up for this purpose by the higher education institution (hereinafter Credit Transfer Committee) shall test knowledge.

(6) The Credit Transfer Committee shall be authorised to recognise knowledge acquired earlier and work experience – in accordance with specifications stipulated within the scope of the present Act and related Government Decrees – as the performance of an academic requirement.

(7) Matters pertaining to the execution of specifications set out under Paragraphs (3) to (6) of Section 49 shall be regulated in the examination regulation by stipulating that the credit defined in the course and examination regulation, however, at least 30% of the credits required for the student to obtain their degree (diploma) - even in the case of the recognition of credits taken in the given institution or in programmes taken earlier, as well as knowledge acquired earlier- shall be obtained in their home institution.

(8) Conditions for studying and taking exams shall be adjusted to the given disability in the case of students with disabilities. Moreover, disabled students shall be provided assistance for fulfilling obligations ensuing from their status as students. In justified cases, disabled students shall be exempted from taking certain modules, studying certain unit or taking exams and being tested. If required, disabled students shall be exempted from taking language examinations, a part of the exam or its level. A longer preparation period shall be ensured during exams. The use of technical aids, and therefore, in particular, type writers, calculators, shall be ensured for compiling reports in writing, or by substituting a written exam with an oral one and vice versa. Exemptions granted under the present paragraph shall exclusively be ensured in connection with circumstances serving as the grounds for exemption and may not lead to exemption from fundamental academic requirements required for obtaining the qualifications attested by a certificate in higher vocational education or qualifications certified by a degree in Bachelor and Master programmes.

Section 50

(1) The higher education institution shall issue a pre-degree certificate to students that have completed the course and examination requirements prescribed in the curriculum – with the exception of passing the language exam and compiling their thesis and diploma work – and obtained the credits prescribed, with the exception of the final thesis credit.

(2) The student shall finish their studies in higher education vocational training, Bachelor and Master programmes as well as specialist postgraduate programmes by taking a final exam.

(3) The student may take the final exam after obtaining their final certificate. The final exam may be taken in the exam period after the final certificate was obtained both within the framework of the student status and after its expiry within a period of two years in any given exam period in accordance with valid academic requirements. The course and examination regulation shall make taking the final exam subject to conditions after a period of two years following the issuing of the final certificate. Final exams may not be as of the fifth year following the termination of the student's status.

(4) The final exam shall serve to verify and evaluate the knowledge, skills and abilities required for obtaining the diploma, during the course of which the student shall also attest that they are capable of applying the knowledge acquired. The final exam may consist of several sections – the defence of the thesis or diploma, as well as oral, written and practical tests – in accordance with criteria set out in the curriculum.

(5) Students that have not settled payment obligations with the higher education institution shall not be allowed to take the final exam.

30. The Diploma

Section 51

(1) Passing the final exam shall constitute a precondition for issuing the diploma attesting the completion of higher education, as well as – if otherwise not stipulated within the scope of the present Act – passing the prescribed language exam. Unless otherwise regulated more rigorously by programme and outcome requirements, the student shall present the certificate attesting the following:

a) Type “C” general language exam or general (level B2) general intermediate language exam in Bachelor programmes;

b) Language exam specified in the programme and outcome requirements, acknowledged by the state or an equivalent language exam (hereinafter language exam) in Master programmes. The higher education institution may, in its curriculum, define the languages accepted in respect of language examinations provided that it shall accept language examinations attested

by the secondary education certificate or recognised as equivalent to a secondary school leaving examination.

(2) Provisions set out above under Paragraph (1) shall not be applied – with the exception of the final exam – if the language of instruction of the programme is not Hungarian.

(3) The diploma shall be issued within a period of 30 days following the presentation of the document attesting the language exam to students passing the final exam. If the student has presented the document attesting the fulfilment of requirements defined under Paragraph (1) prior to the final exam, the diploma shall be issued to the student within a period of 30 days following the passing of the final exam.

(4) Only higher education institutions falling under the scope of the present Act shall be authorised to issue diplomas. The term ‘diploma’ may only be used by higher education institutions to certify qualifications issued pursuant to the present Act and – with the exception of higher education vocational training and specialist postgraduate programmes – as a document certifying a degree in higher education.

(5) The diploma is a certificate bearing the coat of arms of Hungary, the name of the higher education institution which issued it, the institution’s registration number, the diploma serial number, the name, date and place of birth of its holder, degree level, as well as the degree awarded and the name of the programme, place, year, month and day of issue, classification of the degree attested by the certificate in the Hungarian Qualifications Framework and the European Qualifications Framework. In addition, the diploma shall bear the signature of the head of the higher education institution (or the executive level employee specified in the course and examination criteria), as well as the stamp of the higher education institution.

(6) Diplomas issued shall be registered in a central database.

Section 52

(1) The diploma shall be issued in Hungarian and English, Hungarian and Latin, Hungarian and the language of the national minority if the programme was offered in the latter language and in Hungarian and the language of instruction if the programme was not offered in Hungarian.

(2) The diploma supplement defined by the European Commission and the Council of Europe shall be issued in Hungarian and English to diplomas obtained in Bachelor and Master programmes and higher education vocational training, as well as in the language of the national minority – pursuant to the student’s request – if the programme was offered in this language. Diploma supplements shall constitute an official document.

(3) Diplomas issued upon completion of Bachelor programmes, Master programmes, single-cycle long programmes, specialist postgraduate programmes and higher education vocational training programmes – as specified in relevant legislation – shall authorise its holder to fill a position and engage in activities.

(4) Programme and outcome requirements may prescribe a language exam as a precondition for issuing the diploma obtained in higher education vocational training.

(5) The following English and Latin abbreviations shall be used in respect of qualifications attested by diplomas issued in Hungary:

a) Bachelor degree: “Bachelor Degree” or “Baccalaureus” (abbreviated as BA, BSc);

b) Master degree: “Master Degree” or “Magister” (abbreviated as MA, MSc).

(6) Holders of Master degrees shall use the title “Master” in front of the degree attesting their diploma (Master in engineering, Master in economics, Master in teaching, etc.). Students obtaining a degree in a second Master programme in law after completing a law programme awarding a Master title shall be entitled to use the title “Legum Magister” or “Master of Laws” (abbreviated as LL. M.). Students obtaining a diploma after completing a degree in teaching shall be entitled to use the title “Master of Education” (abbreviated as MEd).

(7) Individuals obtaining a degree in medicine, dentistry, pharmacology and law shall be entitled to use the title of doctor, which may be abbreviated as dr. med., dr. med. dent., dr. pharm., dr. vet., dr. jur.

(8) The Rector of the higher education institution shall – pursuant to the consent of the President of the Republic – award doctoral titles with a distinction of “Promotio sub auspiciis praesidentis Rei Publicae” to individuals whose performance was exceptionally outstanding during secondary school, higher education, doctoral programme and during the course of obtaining the doctoral degree. The Government shall define the detailed rules of awarding a doctorate with distinction.

CHAPTER XIV

SPECIAL RULES GOVERNING TALENT FOSTERING AND DOCTORAL PROGRAMMES

31. Doctoral Programmes and the Procedure of Obtaining a Doctorate

Section 53

(1) The doctoral programme shall consist of course modules, research and reports adjusted to the unique character of the scientific discipline and needs of the candidate tutored individually or in a group. Students that have obtained a Master degree are eligible to enrol in doctoral programmes.

(2) The doctoral degree may be obtained within the framework of a special doctoral procedure following the PhD programme. Individuals that do not take part in doctoral training and prepared for the degree on their own may also be PhD candidates providing that they have obtained a Master degree and fulfilled the requirements of the doctoral programme. If the PhD candidate commences the above procedure during the period of instruction, they shall concurrently be a PhD candidate alongside having a status as a student.

(3) The PhD candidate status shall be established as of application to the doctoral degree procedure and the acceptance of this application. The higher education institution shall not reject the applications of individuals that have successfully completed the doctoral programme in the given higher education institution. Requirements stipulated in Paragraph (5) shall be fulfilled within the framework of the PhD candidate status.

(4) The PhD candidate status shall terminate at the end of the degree procedure, as well as if the PhD candidate failed to submit their doctoral dissertation within a period of 2 years following the date of commencement of the status. If otherwise not regulated within the scope of relevant legislation, provisions governing the rights and obligations of PhD candidates shall be identical to the rights and obligations of the student.

(5) Requisites for obtaining a doctoral degree:

a) Fulfilment of obligations prescribed in the doctoral regulation, as well as passing the special doctoral exam evaluated by a committee comprised of at least three members;

b) Two foreign languages – with the opportunity to accept the non-Hungarian sign language in the case of deaf PhD candidates and the language required to cultivate the scientific field – certified in accordance with the specifications stipulated in the doctoral regulation;

c) Presentation of independent scientific work with articles, studies or through other means; the products of independent art work as a precondition for obtaining doctoral degrees in art (DLA);

d) Independent implementation of the scientific or art activity measured against the requirements of the degree; presentation of a dissertation or work of art; defending achievements in a public debate.

(6) Doctoral degrees awarded shall be registered in a central database, to which Internet access shall be ensured. The doctoral regulation of the higher education institution shall define the detailed set of rules to be applied to the doctoral programme and the awarding of the title.

(7) Individuals holding PhD degrees shall be entitled to write “PhD” or the abbreviation “Dr” in front of their name, whilst holders of DLA degree shall be entitled to write “DLA” or the abbreviation “Dr” in front of their name.

32. Fostering Talent, Academic Student Workshops and Colleges

Section 54

The higher education institution shall be responsible for identifying, recognising and facilitating the professional, artistic and sporting activities of students with outstanding skills and abilities capable of outperforming syllabus requirements, as well as disadvantaged and multiply disadvantaged students. The higher institution shall set up and operate a talent support and remedial system offering additional classes either independently or in collaboration with other higher education institutions, and therefore, in particular, academic student workshops, special colleges, and study circles for Roma students. Those who are authorised to establish and maintain higher education institutions according to this Act can set up special colleges offering remedial classes or for Roma students by cooperating with higher education institutions. The higher education institution shall provide assistance to developing the talent of disadvantaged students within the framework of a mentoring programme.

CHAPTER XV

RESPONSIBILITY OF THE STUDENT, TERMINATING ENROLMENT

33. The Disciplinary Procedure and Liability for Damages

Section 55

(1) A penalty may be imposed on any student on the bases of a disciplinary procedure at the end of which a decision is issued in writing if the student breaches and seriously violates their obligations.

(2) The following penalties may be imposed:

- a) reprimand,
- b) serious reprimand,
- c) decrease or suspension of allowances and benefits specified in the repayment and allowances regulation for a maximum duration of 6 months;
- d) barring of the student from studying for a definite period, for a maximum duration one semester;
- e) expelling the student from the higher education institution.

(3) Every circumstance, and therefore, in particular, the consequences of the act, the potential for its repetition and the gravity of the act committed shall be taken into account when determining the penalty. Need-based grants may not be suspended as a penalty imposed in respect of disciplinary matters defined under Point c) of Paragraph (2). Imposing the penalty defined under Points D) to e) of Paragraph (2) shall entail the definitive or temporary suspension of allowances and benefits associated with the student’s status. The student’s status shall be suspended throughout the duration of penalties defined under Points d) of

Paragraph (2). The student's performance shall not interfere with or influence the launch of the disciplinary procedure or imposing a penalty against the student.

(4) A disciplinary procedure may not be launched if a period of one month has lapsed since gaining knowledge of the act committed or the act itself was committed over 5 months earlier. In the application of these provisions, gaining knowledge shall be referred to as the date on which the individual authorised to launch the disciplinary procedure gained knowledge of the act committed on which grounds the procedure may be launched.

(5) The Government shall define the rules of procedure to be applied in the case of a disciplinary procedure on condition that at least one-third of the members of the disciplinary committee was delegated by the student union and the reprimanded student shall be allowed to present their version during the hearing; however, the disciplinary hearing may also go ahead if the student fails to appear in spite of being officially notified.

Section 56

(1) Relevant rules governing the Civil Code, together with deviations stipulated in the present Act shall be applied if the student illegally causes damages in the higher education institution associated with the fulfilment of academic obligations, or to the organiser of the practical training.

(2) In the case of negligent damage, the rate of compensation may not exceed 50% of one monthly statutory minimum wage rate (minimum wage) valid on the day the damages were caused in the case of case defined in Paragraph (1). The damages caused shall be fully compensated in the event of intentional damage.

(3) The student shall be held fully liable for damages to and shortfalls in respect of items handed over with inventories or receipt slips, or in which case accounting obligations apply providing that the student kept these at all times or is the exclusive user or handler of these. The student shall be exempted from liability for damages if the shortfall was caused by circumstances beyond their control.

(4) The higher education institution or organiser of the practical training that caused damages to the student in respect of their status or practical training shall compensate for the damages caused in accordance with relevant rules governing the Civil Code. The higher education institution or organiser of the practical training shall only be exempted from liability, if they are capable of proving that the damages were caused beyond their respective scope of operation by circumstances beyond their control or by the unpreventable conduct of the damaged party.

34. Right to Legal Redress

Section 57

(1) If the rights of students are violated, the student shall be entitled to

- a) contact the student union for legal assistance;
- b) use the educational mediating service;
- c) submit a request for legal redress, which the higher education institution shall, as a mandatory requirement in accordance with the present Act, assess;
- d) may initiate a procedure at the Educational Rights Commissioner, providing that they have exhausted legal redress opportunities regulated within the scope of the present Act.

(2) The higher education institution shall send written notification about the decisions it makes in connection with the student in cases defined within the scope of the present Act, government decrees and the organisation and operational manual, and if the student requests this. The decision made by the higher education institution in connection with the student

shall be binding if the student fails to submit a request for legal redress within the deadline period specified in Paragraph (3), or opted to refrain from submitting such a request.

(3) The student shall be entitled to legal redress in respect of the decision made or measure taken by the higher education institution, or in the event of the lack of any measure (hereinafter jointly referred to as decision) within a period of 15 days following the announcement of the decision, or gaining knowledge of the decision in the event of the lack of the former, except in the case of decisions pertaining to the evaluation of studies. A procedure may also be launched in connection with the evaluation of studies if the decision is not based on criteria approved by the higher education institution, or the decision is contrary to rules set out in the organisation and operational manual of the higher education institution, or rules regulating the organisation of examination have been breached.

(4) The individual assessing the request for legal redress may not be

- a) the individual that made the decision appealed, or failed to make a decision;
- b) close relative of the individual nominated in Point a);
- c) an individual not expected to objectively review the case.

(5) The higher education institution may make the following decisions in respect of the request for legal redress:

- a) may reject the request;
- b) instruct the individual failing to make a decision to make a decision;
- c) reverse the decision;
- d) abrogate the decision and instruct the decision-maker to conduct a new procedure.

(6) Provisions governing Act on the General Rules of the Official Public Administration Procedure and Services shall be applied for clarifying the actual circumstances, setting deadlines, certification, defining the formal, content and notification-related requirements of the decision; correcting, replacing, amending, supplementing or revoking the decision pursuant to request or officially.

(7) The second instance decision shall be legally binding and executable following its pronouncement, except if the court of justice requested its review.

Section 58

(1) The student shall be entitled to request the court of justice to review the decision made in respect of the request for legal redress within a period of 30 days following its pronouncement by referring to breach of law or relevant rules and provisions regulating the status of students. With regard to the application of these provisions, provisions relating to the status of students in relevant legislation, as well as provisions in institutional document define rights and obligations in respect of students.

(2) Rules regulating public administration lawsuits within the scope of the Act on Rules of Procedure Governing Civil Litigation shall be applied in the case of the court proceeding. The court of justice may adjudicate the case without delay.

(3) Provisions governing Paragraphs (1) to (2) of Section 57 shall be applied in respect of decisions and omissions affecting

- a) applicants applying for entry into higher education institutions;
- b) PhD candidates and doctoral fellows, as well as
- c) students whose status has, in the meantime, terminated.

(4) The organisation and operational manual of the higher education institution, in accordance with the frameworks defined within the scope of the present Act and the Government decree shall regulate the rules of procedure of the legal redress procedure.

35. Termination of student status

Section 59

(1) The student status shall be terminated

- a) if the student has been transferred to another higher education institution, on the day of such transfer,
- b) if the student announces the termination of his/her student status, on the day such announcement is made,
- c) if the student may not continue his/her studies as training supported by (partial) state scholarship, and does not wish to transfer to self-financed self-financed training,
- d) on the last day of the first final examination period following the given study cycle, or in the case of postgraduate specialist programmes and higher education vocational training, on the last day of the first final examination period following the last term, or on the last day of the term of the doctorate programme,
- e) as regards higher-education vocational training, in the event the student becomes medically unfit to continue his/her studies, and the higher education institution cannot offer any other suitable higher education vocational training programme, or the student does not wish to continue his/her studies, or the conditions necessary for the pursuance of further studies cannot be met, on the day the decision on termination becomes final,
- f) in the event the rector terminates his/her student status – after giving warning to no avail and after reviewing the social condition of the student – because the student is in arrears with payment, on the day the decision on termination becomes final,
- g) on the day the disciplinary decision on expulsion becomes final,
- h) a condition stipulated in this Act required to establish a student status is no longer met, on the day the corresponding decision on termination becomes final.

(2) The student status of students participating in Bachelor programmes shall not be terminated under point d) of paragraph (1), if they are admitted to a Master programme for the semester following the semester they completed their Bachelor studies.

(3) By means of a unilateral declaration, the higher education institution may terminate the student status of the student, who

- a) does not fulfil his/her academic obligations stipulated in the academic and examination regulations or the curriculum,
 - b) has not registered for the subsequent semester on the third consecutive occasion,
 - c) does not commence his/her studies after the temporary termination of student status,
- provided, in each case specified above, that the student has been reminded in writing to fulfil his/her obligations within the specified deadline, and has been informed of the consequences of default.

(4) By means of a unilateral declaration, the higher education institution may terminate the student status of the student, of whom the number of unsuccessful retake examinations and repeated retake examinations for the same unit reaches five.

CHAPTER XVI

STUDENT COMMUNITIES, STUDENT UNIONS, NATIONAL STUDENT REPRESENTATION

36. Student union

Section 60

(1) Each student shall be a member of the student union with the exception of the conditions defined in section 63 and shall be eligible for election and for being elected.

(2) The bylaws of the student union shall specify the rules of operation of the student union. The bylaws shall be adopted by the student union assembly, and it shall become valid upon approval from the senate. The senate shall deliver its statement on the approval of the bylaws at the latest on its first meeting that is held after thirty days have elapsed since the submission for approval.

(3) Approval of the bylaws shall only be denied if it is in breach of the law or in conflict with the statutes of the higher education institution. The bylaws or its amendment shall be deemed to have been approved if the senate does not deliver its statement within the specified time limit.

(4) The higher education institution shall provide the necessary conditions for the operation of the student union and for the execution of its tasks, the lawful utilisation of which and the lawful operation of the student union it shall be entitled to control. To perform its function, the student union shall be entitled to use the premises and equipment of the higher education institution free of charge as long as it does not impede the operation of the higher education institution or the dormitory.

(5) The student union in the event of violation of the rights stipulated in this Act – including the denial of approval of its bylaws – may take the case to court within thirty days from the notice of the maintainer's decision on grounds of legal violation or the provisions of institutional bylaws.

(6) The court shall come to a ruling during a non-contentious procedure out of turn. Missing the deadline shall result in forfeiture. The court may change the ruling. The body competent to conduct such procedure shall be the Metropolitan Court. The submission of the request shall have adjourning effect on the execution of the decision.

(7) The student union shall decide on its operation, on the utilisation of funds and state support granted for its operation and of its own revenues, on exercising its powers, and on the establishment and operation of the institutional information system. No instructions may be given to the student union in the scope of its representation activity.

Section 61

(1) Assent of the student union shall be necessary for adoption and amendment of the statutes, in respect of the followings:

- a) regulations concerning fees and grants,
- b) the rules pertaining to lecturer evaluation by students,
- c) academic and examination regulations.

(2) The student union shall cooperate in students' evaluation of lecturers' teaching activity, and its consent shall be necessary for the utilisation of funds allocated for youth policy and other student related purposes.

(3) The student union may form an opinion and make a proposal on any issues concerning the operation of the higher education institution or students. The statutes of the higher education institution shall also determine other affairs in the case of which the opinion of the student union must be requested, its consent required, or concerning which issues it may decide.

(4) The student union shall exercise its rights in accordance with the relevant stipulations of its bylaws.

(5) The person or body authorised to take action shall respond to the merits of the proposal of the student union within thirty days – in the case of the senate, on its first meeting held after thirty days have elapsed.

37. The National Union of Students in Hungary

Section 62

(1) The national representation of students – with the exception specified in Section 63 – shall be performed by the National Union of Students in Hungary.

(2) The National Union of Students in Hungary shall be a legal person, with its statutes adopted by a body consisting of the representatives of the student unions. Its seat shall be in Budapest, and it may be represented by its chairperson. The National Union of Students in Hungary shall be entitled to use the coat of arms of Hungary.

(3) The National Union of Students in Hungary shall be registered by the Educational Authority. The public prosecutor's office shall exercise judicial supervision over the National Union of Students in Hungary. The reporting and accounting obligations of the National Union of Students in Hungary shall be governed by the rules applicable to other organisations.

38. Union of PhD. and DLA Students, Association of Hungarian PhD. and DLA Students, Council of National Scientific Students' Associations

Section 63

(1) The institutional representation of students pursuing doctorate studies shall be performed by the Union of PhD. and DLA Students operating as part of the higher education institution. Each PhD. and DLA student shall be a member of the Union of PhD. and DLA Students, and shall be eligible for election and for being elected. The provisions of Sections 60 (1)–(6) shall be applicable to the operation of the Union of PhD. and DLA Students as appropriate.

(2) The national representation of students pursuing doctorate studies at higher education institutions shall be performed by the Association of Hungarian PhD. and DLA Students. The Association of Hungarian PhD. and DLA Students shall be a legal person, with its statutes adopted by a body consisting of the representatives of the Unions of PhD. and DLA Students. Its seat shall be in Budapest, and it may be represented by its chairperson. The Association of Hungarian PhD. and DLA Students shall be entitled to use the coat of arms of Hungary. The Association of Hungarian PhD. and DLA Students shall be registered by the Educational Authority.

(3) The representative of the Hungarian Rectors' Conference shall be invited to the meetings of the National Union of Students in Hungary and the Association of Hungarian PhD. and DLA Students and shall have the right to act in advisory capacity thereon.

(4) The Council of National Scientific Students' Workshops is a professional organisation of students engaged in academic student workshop activities and lecturers supporting such activities. The Council of National Scientific Students' Workshops shall be responsible for the national representation and coordination of students' academic and artistic activities pursued in higher education institutions and the national level representation and coordination of the student workshop movement, as well as the organisation of nationwide scientific and artistic forums for students. The operation of the Council of National Scientific Students' Workshops shall be subject to the bylaws adopted by it.

PART FIVE

THE ORGANISATION AND GOVERNANCE OF HIGHER EDUCATION

CHAPTER XVII

STATE POWERS RELATING TO HIGHER EDUCATION

39. Sectoral Governance

Section 64

(1) In compliance with the provisions of this Act, the Minister shall be responsible for the sectoral management of higher education.

(2) As part of the responsibilities relating to the organisation of higher education, the Minister shall:

a) operate

aa) the information system of higher education, the body in charge of the operation of the higher education information system, the Educational Authority, and the body responsible for the recognition of foreign diplomas and certificates,

ab) the Office of the Commissioner for Educational Rights,

b) define the direction of the initial education of teachers,

c) send proposals to the Prime Minister for the appointment and release from service of college rectors and college professors, and to the President of the Republic of Hungary for the appointment and release from service of university rectors and university professors;

d) propose statistical reporting;

(3) As part of the duties related to higher education development, the Minister shall:

a) provide for the scheming of development plans for the higher education system, including the medium-term development plan,

b) review the problems emerging in higher education in relation to training and education, and provide for solutions,

c) ensure the organisational conditions and funds required for research in higher education,

d) promote the dissemination of new methods, solutions and organisational forms, and the development of the institutional networks of training and education,

e) review the structure of higher education vocational training programmes, and Bachelor and Master programmes,

f) evaluate at least once in every three years the relationship between higher education and the economy.

(4) The minister shall obtain the opinion of the National Minority Commission for its decisions adopted on minority education. Where any of the national minority governments initiates the creation, pursuant to the act on the rights of nationalities, of conditions for higher education in a native language or native language studies in higher education, the Minister shall consider all demands and ensure such conditions by initiating the conclusion of an international agreement, executing a work plan or inviting applications for higher education programmes in the home country or proposals for creating the necessary conditions in Hungarian higher education institutions.

(5) Upon recommendation of the senate, the Minister shall award the Scholarship of the Republic of Hungary to students with remarkable academic achievements.

(6) Especially based on the proposals of bodies participating in the execution of state powers or of the Educational Authority, the Minister may institute court proceedings, pursuant to the provisions of Section 65, to annul the results of examinations organised by higher education institutions and to invalidate the certificates and diplomas issued.

Section 65

(1) The Minister shall oversee the lawful maintenance of non-state institutions of higher education.

(2) In supervising lawfulness, the Minister shall call on the maintainer to satisfy its maintenance obligations and set an appropriate deadline for compliance. In the event the

maintainer fails to take the necessary steps within the specified deadline, the Minister may institute court proceedings to establish the maintainer's default.

(3) Such a lawsuit shall be commenced within thirty days from expiry of the specified deadline. Where the court establishes a breach of law, and the maintainer fails to remedy such breach within the deadline stipulated by the court, the court shall, upon the Minister's application, establish that the conditions for the dissolution of the higher education institution are met.

(4) As a result of examining lawfulness, the Minister may suspend the higher education institution's right to administer examinations if the warning regulated in subsection (2) has proved to be of no avail. Concurrently with suspension, the Minister shall institute court proceedings to establish the maintainer's default on obligations. The decision of the Minister shall address questions such as the studies and examinations of the students concerned.

(5) Procedures regulated in this Section shall be subject to the Act on the General Rules of Administrative Procedures and Services as appropriate. The Educational Authority shall cooperate in all procedures. In the case of the court proceedings defined under subsections (3) and (4), Act III of 1952 on the Code of Civil Procedure shall apply. The court may change the ruling passed out of turn.

Section 66

(1) The minister shall supervise the lawfulness of activities forming part of higher education basic activities pursued by natural persons, legal entities, and other organizations without a legal personality in Hungary, in the absence of the statutory requirements (licensing, operational) stipulated herein. Upon the decision of the minister, the Educational Authority shall participate in the supervision.

(2) The minister shall prohibit the persons pursuing higher education activities without license from the activity, and – while publishing the decision on such prohibition –, shall impose a fine, the amount of which shall range from 5 times the mandatory minimum wage (minimum wage) for full time employment up to 250 times the minimum wage.

(3) In the course of adopting the decision and setting the amount of the fine, the minister shall take into consideration the following factors concerning especially

- a) the activity stipulated in Subsection (1):
 - aa) the period of pursuing the activity,
 - ab) the territory of the activity,
 - ac) any repeated action, despite any prohibition,,
- b) the number of persons concerned by the activity.

40. Registration Tasks and Procedures Pertaining to the Operation of Higher Education Institutions

Section 67

(1) The Educational Authority

a) shall keep an authentic register of data recorded in the Statutes of higher education institutions, and of the public personal data – or other data as specified by law – due to public interest specified in Part II/A of Annex 3,

b) shall decide on the registration of higher education institutions, not operating as a budgetary organisation, as public benefit organisations, and

c) shall register the Higher Education Planning Board, the Hungarian Rectors' Conference, the Hungarian Higher Education Accreditation Committee (hereinafter: Hungarian Accreditation Committee), the National Union of Students in Hungary, and the Association of Hungarian PhD. and DLA Students.

(2) The Educational Authority shall perform the regulatory tasks relating to the establishment and registration of higher education institutions, the taking-up and modification of their activities, the keeping of changes to the register, and any deletion from the register.

(3) The Educational Authority shall proceed in matters relating to

- a) the licensing of the operation of higher education institutions,
- b) changes to data recorded in the Statutes,
- c) launch of study programmes,
- d) the establishment and modification of the maximum number of students admissible,
- e) the establishment and termination of doctorate schools,
- f) registration of students' halls maintained by a church, religious legal entity, or foundation.

(4) The Educational Authority shall obtain the expert opinion of the Hungarian Accreditation Committee in the procedures set forth in Paragraphs a) and e) of Subsection (3), in Paragraph c) of Subsection (3) in case of launching Bachelor and master programmes, and in Paragraph b) of Subsection (3) in relation to scientific and related educational and research matters. In the course of the procedure specified in Paragraph e) of Subsection (3), the Educational Authority shall be bound by the expert opinion of the Hungarian Accreditation Committee. Appeals filed against the decision of the Educational Authority shall be decided upon by the minister. The provisions laid down in this Subsection shall also be applicable, if a Hungarian higher education institution intends to offer off-site training outside the territory of the Republic of Hungary

(5) In the procedures set forth in Paragraph c) of Subsection (3) – as Bachelor or Master programmes offered in Hungary –, the commencement of programmes provided at the registered seat or branch office of higher education institutions may be allowed.

(6) The Educational Authority, or the minister, in order to adopt their decisions, may obtain the opinion of independent experts, and may have prepared international comparative studies.

(7) The person filing the application for any of the procedures regulated in this Section shall pay an administrative procedural service fee set forth in a separate piece of legislation.

Section 68

(1) The Educational Authority

- a) shall supervise the legality of the operation of higher education institutions recorded in its register in the course of regulatory supervision,
- b) shall participate in the legality supervision conducted by the minister.

(2) As the result of the regulatory supervision specified in Paragraph a) of Subsection (1), the Educational Authority

- a) may initiate the action of the maintainer,
- b) may recommend that the minister conducts a legality supervision procedure under Section 65,
- c) may impose a fine, the amount of which may range from 100 percent of the mandatory minimum wage (minimum wage) for full time employment up to 50 times the minimum wage,
- d) in case of foreign higher education institutions, may inform the competent authorities of the state of establishment of the respective institution.

(3) The Educational Authority shall authorize the production and distribution of forms issued centrally and to be used in a mandatory manner by Hungarian higher education institutions. The authorisation may not be refused, if all statutory provisions are met.

(4) The provisions of Act on the General Rules of Administrative Proceedings and Services shall be applicable to the procedures and supervisions regulated in Section 67 and in Subsections (1) to (3) of this Section.

Section 69

(1) Prior to preparing a proposal for the appointment of a university professor, the rector of the higher education institution shall request an expert opinion from the Hungarian Accreditation Committee.

(2) The rector of the higher education institution shall prepare the proposal for the appointment of the university professor by taking into account the expert opinion, which he or she shall send together with the expert opinion to the maintainer of the higher education institution. The maintainer of a non-state institution of higher education shall send the rector's proposal together with the expert opinion of the Hungarian Accreditation Committee and a review on its position to the Minister.

(3) The Minister shall obtain a second expert opinion from the Hungarian Accreditation Committee if the proposal of the rector of the higher education institution is incongruous with the expert opinion of the Hungarian Accreditation Committee. Where the rector's proposal and the expert opinion of the Hungarian Accreditation Committee are in accordance, the Minister shall recommend the President of the Republic of Hungary to appoint the university professor. If the rector's proposal and the expert opinion of the Hungarian Accreditation Committee are incongruous, the Minister may, at his/her discretion, initiate the appointment of the university professor.

(4) With respect to the procedure regulated in subsection (1), the Hungarian Accreditation Committee shall assess the candidate's educational, academic, or artistic attainments in addition to the relevant laws.

CHAPTER XVIII

BODIES IMPLEMENTING STATE POWERS

41. The Hungarian Accreditation Committee

Section 70

(1) The Hungarian Accreditation Committee is a national expert body promoting the supervision, assurance, and evaluation of the quality of higher education, scientific research, and the scientific quality of artistic creation, which participates under this Act in procedures relating to higher education institutions, with special regard to doctorate schools.

(2) The Hungarian Accreditation Committee shall ensure that its professional evaluation criteria, the contents of opinions and positions adopted by it, and the identity of participating experts – which information are public data for public interest – are publicly available. The evaluation criteria of the Hungarian Accreditation Committee shall be applicable to the entire Hungarian higher education in a uniform manner, irrespective of the maintainers of such institutions.

(3) The Hungarian Accreditation Committee is authorised to acquire a non-profit legal status regulated in Act CLXXV of 2011 on the Rights of Association, non-profit status and the operation and funding of Civil Organizations.

Section 71

1 (1) The Hungarian Accreditation Committee shall be comprised of 18 members. The minister shall delegate 9 members, the Hungarian Academy of Sciences 2 members, the Hungarian Academy of Arts 1 member, the Hungarian Rectors' Conference 3 members, religious legal entities maintaining higher education institutions 2 members, and the Association of Hungarian PhD. and DLA Students 1 member. With the exception of the member delegated by the Association of Hungarian PhD. and DLA Students, all members

shall hold scientific qualification. During delegation, the delegating entities shall coordinate with each other in order to ensure the proportionate representation of larger fields of science. Members of the Higher Education Planning Board, rectors, and government officials may not be members of the Hungarian Accreditation Committee.

(2) From the members of the Committee, the minister and the president of the Hungarian Academy of Sciences proposes the president of the Hungarian Accreditation Committee. The President shall be appointed by the Prime Minister.

(3) The Hungarian Accreditation Committee shall select officials from its members and shall establish its rules of operation.

(4) The delegated members are appointed by the prime minister upon the proposal of the minister. The appointment may be extended once. With the exception of the member delegated by the Association of Hungarian PhD. and DLA Students, the members shall be appointed for a period of six years. The member delegated by the Association of Hungarian PhD. and DLA Students shall be appointed by the prime minister for two years.

(5) In case of identical subject or person, within the frame of a legal procedure – the conditions of which shall be defined in paragraph 67. and 68.-, the Hungarian Accreditation Committee shall operate an “ Review Committee” that is based on neutral and objective criteria and shall have 3 members. The minister delegates the members of the Review Committee ; The regulations applicable to the other members of the Hungarian Accreditation Committee concerning mandate and conflict of interest also apply to the members of the Review Committee except that a person who was the member of the Hungarian Accreditation Committee in the previous three years cannot be the member of the Review Committee.

42. Professional bodies of higher education institutions

Section 72

(1) The Hungarian Rectors’ Conference is a consultative body entitled to represent higher education institutions and to protect their interests. The Hungarian Rectors’ Conference is a legal person, its seat is in Budapest, and may be represented by its chairperson. The public prosecutor’s office shall exercise legality supervision over the Hungarian Rectors’ Conference. The Hungarian Rectors’ Conference shall be registered by the Educational Authority. The reporting and accounting obligation of the Hungarian Rectors’ Conference shall be governed by the rules applicable to other organisations. The Hungarian Rectors’ Conference shall have the status of a public benefit organisation but without the need to be registered as a public benefit organisation.

(2) The members of the Hungarian Rectors’ Conference shall comprise the rectors of higher education institutions.

The Hungarian Rectors’ Conference shall stipulate its order of operation in its bylaws, and shall elect its officers and authorise some of its members to represent the organisation. The Hungarian Rectors’ Conference is entitled to use the coat of arms of Hungary.

(4) The financial and administrative conditions for the operation of the Hungarian Rectors’ Conference shall be ensured by higher education institutions.

(5) The National Doctoral Council is a body consisting of the chairs of the doctoral councils of higher education institutions, adopting positions in affairs relating to doctorate programmes and the conferral of doctoral degrees. The National Doctoral Council shall determine the principles governing the quality and performance based distribution of the quota of students admissible to (partial)state scholarship supported doctorate programmes among the higher education institutions.

CHAPTER XIX

MAINTAINER CONTROL

43. Exercising the maintainer's rights

Section 73

(1) Maintainer control shall be exercised by the entity ensuring the conditions of operation of the higher education institution in line with the provisions of this Act. Unless otherwise provided for herein, the rights and obligations pertaining to maintainer control shall be identical irrespective of the entity exercising such rights and discharging such obligations.

(2) Rights and obligations pertaining to maintainer control may be transferred to another person entitled to exercise the maintainer's rights subject to an agreement, as of the date the decision on registration by the Educational Authority becomes final. If such transfer does not affect the activities and operation of the higher education institution, the Educational Authority shall examine whether the new maintainer meets the requirements concerning the continuous operation of the higher education institution. Changes to the maintainer's rights shall not affect the state recognition of the higher education institution, or the rights and obligation of students.

(3) The maintainer shall

a) within its competence (in case of state higher education institutions, in orders not subject to Act CXCV of 2011 on Public Finance) shall issue or amend the founding charter of the higher education institution;

b) communicate the budgetary appropriations (principals) of the higher education institution and evaluate its annual accounts drafted in compliance with the accounting regulations;

c) review

ca) the statutes of the higher education institution,

cb) the institutional development plan of the higher education institution,

cb) the budget of the higher education institution,

e) monitor

da) the higher education institution's management, lawful and efficient operation,

db) the effectiveness of professional work;

e) originate the appointment and release from office of the rector, and shall exercise the employer's rights with regard to the rector;

f) appoint the financial head – or the head of the internal audit unit within higher education institutions operating as budgetary organisations –, and withdraw such appointment at the initiative of the rector or at its own discretion, For state higher education institutions, for the purposes of this Paragraph, the decision of the maintainer shall be adopted by the minister responsible for the supervision of state assets, after the information of minister;

g) provide for the control of the annual budget report of the higher education institution operating as a budgetary organisation.

(4) The maintainer shall examine the uniformity, completeness, and lawfulness of the statutes and their compliance with the requirement of efficiency.

(5) In ensuring lawfulness, the contents of institutional documents shall be observed, with their legality as well as that of the operation of the higher education institution and decision-making shall be verified.

Section 74

(1) As a result of the control, the maintainer may call on the head of the higher education institution to remedy any unlawful decision or to take the necessary action, and set an appropriate deadline for compliance.

(2) The maintainer shall evaluate the effectiveness of professional activity and the efficiency of institution operation on the basis of the annual report produced by the higher education institution in compliance with the accounting regulations and the report on the implementation of the institutional quality development scheme, and shall undertake action by specifying an appropriate deadline where necessary.

(3) The higher education institution shall send the maintainer its statutes, institutional development plan, budget, plan for commitments and implementation schedule, as well as any amendments within fifteen days from the Senate's decision. Where the higher education institution plans to take a decision that is contrary to its budget or plan for commitments, it shall notify the maintainer in advance. The maintainer may request notice of any other decision of the Senate. In case of state higher education institutions, the institutional development plan, budget, plan for commitments and implementation schedule, as well as any amendments shall be sent to the minister responsible for the supervision of state assets and to the minister responsible for the state budget for information purposes.

(4) The maintainer may communicate to the higher education institution its comments on the higher education institution's budget, plan for commitments and the implementation schedule of the budget within 30 days from receipt. Comments on the statutes shall be made within 60 days from receipt and those concerning the institutional development plan within 90 days. Such deadlines may be extended on one occasion by no more than 30 days. If the maintainer raises any objection to the higher education institution's budget, plan for commitments and the pertaining implementation schedule, or the contents of the statutes or the institutional development plan, it shall return the same on one occasion and by setting an appropriate deadline to the higher education institution urging its revision.

(5) The higher education institution shall comply with the request or objection of the maintainer. Objected measures and decisions of the higher education institution may not be implemented.

44. Framework of the maintainer control

Section 75

(1) Maintainer control shall not affect the autonomy of the higher education institution granted in relation to the matters of the scientific subject and contents of education and research. Based on the decision of the higher education institution's senate, the rector may institute court proceedings within 30 days from communication of the maintainer's action requesting the establishment of the fact that the maintainer's decision violates its autonomy granted by this Act. The court shall come to a ruling during a non-contentious procedure out of turn. Missing the deadline shall result in forfeiture. The court may change the decision of the maintainer. The procedure shall fall within the jurisdiction of the Metropolitan Court.

(2) In the case of state higher education institutions, the maintainer shall

a) determine the rector's emoluments,

b) approve that part of the rector's job description which concerns duties other than those pertaining to instruction and research;

(3) In the case of state higher education institutions, no appeal may be filed against the decisions of the Educational Authority adopted in matters listed in Paragraph b) and d) of Section 67 (3).

(4) In the case of state higher education institutions, the right of consent of the maintainer stipulated in Paragraph (g) of Section 12 (3) shall be exercised by the minister responsible for the supervision of state assets.

(5) In case of state higher education institutions, the maintainer forwards his decision - regarding section 73 / a - to the minister responsible for public finance, who can take objection to the measures regarding the Statute in the next 15 days after the receipt of the maintainer's notice. Measures disapproved of cannot be carried out. In case of passing the deadline unproductively, the consent of the minister responsible for public finance shall be presumed.

PART SIX

PROVISIONS WITH INTERNATIONAL RELEVANCE

CHAPTER XX

FOREIGN HIGHER EDUCATION INSTITUTIONS IN HUNGARY HUNGARIAN HIGHER EDUCATION INSTITUTIONS ABROAD

45. Operation of foreign higher education institutions in Hungary

Section 76

(1) Foreign higher education institutions may offer study programmes resulting in the issuance of certificates in the Republic of Hungary, if the foreign decision approving operation as a state recognised higher education institution in the state of origin is recognised and the operation is approved by the Educational Authority. The Educational Authority shall recognise the foreign decision, if the principles of the education system of the respective state are in line with the educational fundamental principles of the European Higher Education Area. The Educational Authority shall withdraw its decision on equivalence, if doing so is justified by the foreign decision allowing the operation of the higher education institution.

(2) The operating license may be denied on the basis of the expert opinion obtained by the Educational Authority. The expert opinion shall cover the personal and material requirements of education, the quality of the education, and the equivalence between the operating and training requirements applicable, as well as the operating licenses issued in Hungary and in the state of registered seat.

(3) The license for starting operation may be denied if the degree or the qualification certified by the diploma cannot be recognised in Hungary. The foreign higher education institution shall be registered by the Educational Authority. The Minister shall exercise the powers defined in Sections 65 to 66 in respect of the operation of foreign higher education institutions. (2) The operating license shall be reviewed by the Educational Authority at least every five years.

(4) In its procedure, the Educational Authority may request the foreign higher education institution to submit the authentic copies or authentic Hungarian translations of the documents certifying compliance with the requirements set forth in Paragraphs (1) to (2). The Educational Authority shall publish the list of languages on its website that may be used to submit documents without authentic Hungarian translation.

(5) Unless otherwise provided for by law, the establishment of the foreign higher education institution, its education and research activities, the pertaining monitoring procedures, the operation of the institution, and the specification of entry requirements shall be subject to the relevant provisions of the state of registered seat.

(6) The higher education institution referred to in subsection (1) which awards foreign diplomas or certificates may also be established and operate in Hungary on the basis of an international agreement. Such higher education institutions are ex officio registered by the Educational Authority. The provisions concerning the legality supervision shall be applicable in the absence of other provisions laid down in the international agreement promulgated by an Act.

(7) Unless otherwise provided for by an international agreement promulgated in an Act, no Hungarian (partial) state scholarship supported places may be reserved for foreign higher education institutions operating in the territory of the Republic of Hungary.

(8) Higher education institutions regulated in this Section shall be required to register in the information system of higher education and supply data accordingly. The Educational Authority shall keep a register of foreign higher education institutions licensed to operate within the territory of Hungary. The register shall be published annually, in December, on the official website of Hungary, and shall be published on the website of the ministry headed by the minister.

Section 77

(1) The provisions laid down in Section 76 shall be applied to higher education institutions with registered seat in an EEA State with the deviations set forth in Paragraphs (2) to (3) of this Section.

(2) Issuance of the license required for the taking up of the operation of a higher education institution having its seat in another EEA State may not be denied on the basis of the equivalence requirement stipulated in Section 76 (3). If the degree or the qualification certified by the diploma issued by a higher education institution having its seat in another EEA State cannot be recognised in Hungary, the institution shall inform the applicants accordingly in a clear and certifiable manner. The Educational Authority shall monitor compliance with this requirement.

(3) Service providers having the right of free service provision under the act on the general rules of the taking-up and pursuit of service activities, who intend to provide cross-border education services in Hungary, shall notify this intent to the Educational Authority. Service providers having the right of free service provision shall be registered by the Educational Authority, if the condition set forth in Section 76 (1) is met.

46. Education activities of Hungarian higher education institutions performed outside Hungary, and the rules of joint programmes

Section 78

(1) Subject to the laws of the country concerned, Hungarian higher education institutions may offer off-site training outside the territory of the Republic of Hungary, as set forth in Government Regulations.

(2) The Hungarian State may contribute to the operation of the higher education institution under subsection (1) through normative funding stipulated in law, on the basis of an international agreement or a work plan, or by means of applications or an agreement. The call for applications shall be initiated by the Minister, and the Minister shall be authorised to conclude agreements.

(3) Hungarian and foreign higher education institutions may provide joint programmes awarding a Hungarian and foreign or joint diploma or certificate if all the following criteria are met:

a) the higher education institutions concerned are recognised higher education institutions in the state of the registered seats,

- b) the diploma or certificate issued is accepted as a diploma or certificate awarded in higher education pursuant to the relevant national law of the countries concerned,
 - c) the Hungarian and the foreign higher education institutions are authorized for the programme, the programme and outcome requirements of which are identical to those of the programme subject to the agreement,
 - d) the credit transfer committee of the Hungarian higher education institution declares that the credit equivalence between the programme the higher education institute is authorized to launch and the programme subject to the agreement reaches at least 75%,
 - e) the student completes at least 30 credits in the Hungarian higher education institution which is authorized to launch the programme.
- (4) No authorisation for operation in Hungary shall be necessary if foreign higher education institutions offer the programmes set forth in subsection (3).
- (5) The Educational Authority shall register the agreement and the training, if the Senate of the Hungarian institution establishes that the requirements set forth in Paragraph (3) are met. Otherwise, the general rules of launching study programmes shall be applied.

CHAPTER XXI

STUDIES OF HUNGARIAN NATIONALS ABROAD, STUDIES OF FOREIGN NATIONALS IN HUNGARY

47. Support for studies abroad

Section 79

- (1) Hungarian nationals shall have the right to pursue studies in foreign higher educations without the need for any authorisation.
- (2) The ministry headed by the Minister may support the studies of students in foreign state-recognised higher education institutions through scholarships awarded on the basis of applications.
- (3) If a Hungarian national is a member of a national or ethnic minority, the ministry headed by the Minister shall support higher education studies provided in the native language through scholarships awarded on the basis of applications.
- (4) Hungarian nationals may obtain a student loan for studies in a degree programme offered by state recognised higher education institutions in an EEA country.
- (5) Those pursuing studies abroad as defined under this Section shall be eligible for a student pass.
- (6) The rules pertaining to the call for, and the assessment of, applications referred to under subsections (2)–(3), the application, disbursement, and settlement of the student loan, and requests for and issuance of student passes shall be regulated by the Government with the proviso that the call for applications defined in subsection (3) shall be published and assessed subject to the consent of the national minority government concerned.

48. Rules of establishing student status and of pursuing studies

Section 80

- (1) The recognition of diplomas and certificates of completion of secondary studies awarded by foreign education institutions that have been granted an operating license abroad or in Hungary shall be subject to the provisions of Act C of 2001 on the recognition of foreign diplomas and certificates (hereinafter: “Recognition Act”).

(2) For the studies of non-Hungarian nationals in Hungary, the provisions of this Act shall apply subject to the following derogations:

a) if a non-Hungarian national has no residence in the territory of Hungary, prior to acquiring student status he/she shall obtain an entry visa and a residence license as stipulated by other laws,

b) if the student specified in Section 39 (1), except for people listed under paragraphs b)–c) of Section 39 (1), enrolls for (partial) state scholarship supported training, he/she shall only be eligible for maintenance, welfare, textbook, accommodation or other grants on the basis of an international agreement, law, work plan or reciprocity,

c) studies may be supported from the central budget through scholarships awarded on the basis of applications,

d) non-Hungarian nationals may undertake preparatory studies in student status prior to enrolling in higher education for a period of maximum two semesters.

(3) The persons listed in Paragraph f) of Section 39 (1), who have won the tender published by the minister, shall be entitled to participate in Hungarian (partial) state scholarship supported training as part of the limit number set by the minister.

(4) Persons subject to the Preference Act, who are students of foreign higher education institutions, may participate in (partial) Hungarian state supported partial training in Hungarian higher education institutions for a maximum period of 6 months per occasion.

(5) Foreign citizens, who regard themselves as Hungarian nationals, and have no residence in Hungary, may, without regard to Hungarian citizenship, undertake preparatory studies in the Hungarian language in student status prior to enrolling in higher education for a period of maximum two semesters.

(6) Students subject to the Preference Act participating in (partial) Hungarian state supported or self-financed studies may request the partial or entire reimbursement of their costs relating to their stay and studies in Hungary under a separate law, and by tendering.

(7) The rules pertaining to the funding of the studies of foreign nationals in Hungary and the studies of Hungarian nationals abroad shall be determined by the Government, whereby it may extend the support period defined in this Act in respect of persons pursuing their preparatory studies, for a maximum period of 2 semesters.

PART SEVEN

THE FUNDING AND ASSET MANAGEMENT OF HIGHER EDUCATION

CHAPTER XXII

SERVICES PROVIDED FOR FREE AND AGAINST PAYMENT

49. Free services of (partial) Hungarian state scholarship supported studies

Section 81

(1) Services available to students participating in (partial) Hungarian state scholarship supported studies shall be as follows:

a) registration on two occasions for lectures, seminars, consultations, practical courses, and field practice courses, recitals and examinations, the retake on one occasion of failed recitals and examinations, and the taking of the final examination that are requisite to the fulfilment of academic requirements specified in the educational programme and to the conferral of the certificate or diploma and the doctoral pre-degree certificate, as well as the degree award procedure during student status in accordance with the provisions of Section 53 (2),

- b) study circle courses,
 - c) use of the facilities, including library and basic library services, laboratories, computer, sporting and recreational facilities, and the equipment of the higher education institution in connection with free-of-charge services,
 - d) in the case of higher-education vocational training, work and protective equipment (protective clothing) and sanitary accessories supplied for practical training, and in the case of other types of studies, protective equipment (protective clothing) and sanitary accessories,
 - e) student consulting,
 - f) the first issuance of all documents relating to studies and to the conferral of the doctoral degree.
- (2) Unless otherwise provided for by the relevant laws, no higher education institution may charge any administrative service fees (e.g. enrolment fee) to students on (partial) Hungarian state scholarship supported studies.
- (3) If a student participating in a (partial) Hungarian state scholarship supported studies also participates in studies in another EEA State, where his or her studies may be recognised by the Hungarian higher education institution, the student, for the period of the studies abroad and according to Subsection (4), may receive a scholarship from the higher education institution he or she is a student of.
- (4) The student shall be entitled to the scholarship mentioned in Subsection (3), if he or she commenced the studies abroad with the consent of the higher education institution.

50. Self-financedSelf-financed services of (partial) Hungarian state scholarship supported studies

Section 82

- (1) The self-financedself-financed services available to (partial) Hungarian state scholarship supported students shall be as follows:
- a) teaching of a body of knowledge in any language other than Hungarian as chosen by the student, which is defined in the curricula of the Bachelor and Master programmes in Hungarian and is taught in Hungarian,
 - b) objects produced with the tools and equipment of the higher education institution, supplied for the student by the higher education institution, becoming the property of the student (e.g. reproduced materials),
 - c) use of the facilities, including library, laboratories, computer, sporting and recreational facilities, and the equipment of the higher education institution outside the scope of free services,
 - d) courses awarding credits in excess of the compulsory number of credits or the number of credits higher education institutions are required to offer under this Act.
- (2) The academic and examination regulations of higher education institutions may stipulate a fee for the third or any additional retake of an examination in the same subject and for the retake of presentations, seminars, consultations, practical lessons, field practices, and its fees and grants regulations may specify the same for failure to meet or late fulfilment of the obligation set forth in the academic and examination regulations. The rate of such payment obligation per each occasion may not exceed five percent of the lowest mandatory minimum wage (minimum wage) for full time employment.
- (3) The rules pertaining to the determination of the fee charged on the basis of subsections (1)–(2) shall be defined in the fees and grants regulations with the proviso that the cumulated amount of such fee shall not exceed 50 percent of the tuition.
- (4) Students with (partial) Hungarian state scholarship may participate in the studies under Section 81 (1) to (3), even in a guest student status.

CHAPTER XXIII

OBLIGATION TO PAY TUITION

51. Services available in self-financed studies in exchange of tuition or fee

Section 83

(1) Tuition paying students shall have a duty to pay tuition for services defined in Section 81 (1)–(2), and to pay fees for the services listed under Section 82 (1)–(2).

(2) The rules pertaining to the determination and modification of the fee shall be specified in the fees and grants regulations, on the basis of which the student and the higher education institution shall stipulate in an agreement the amount of the fee.

(3) If a student reports the termination or temporary termination of his/her student status prior to the date set in the organisation and operational manual of the institution, a proportionate amount of the paid fee, as defined in the organisation and operational manual, shall be reimbursed.

(4) The organisational and operational manual shall stipulate the way in which the rector shall decide on the benefits due to tuition-paying students on the basis of their academic performance or social conditions and on the authorisation of instalment payments.

(5) The higher education institution may agree with any person to grant a student status to the person appointed by the contracting party. On the basis of such agreements, student status may be granted to persons who otherwise satisfy all criteria specified in this Act. The agreement shall stipulate that all costs relating to the student's studies shall be borne by the contracting party.

CHAPTER XXIV

THE PRINCIPLES OF HIGHER EDUCATION FINANCING

52. Purpose of funding higher education

Section 84

(1) The maintainer shall provide funding for the operation of the higher education institution. The Annual Budget Act shall specify the amount allocated for the financing of higher education. The Government shall determine the system of state funding granted for the operation of higher education institutions. Higher education institutions may receive support on the basis of tendering or an agreement.

(2) The state grant shall be provided for

- a) student bursaries,
- b) education activity,
- c) scientific development,
- d) maintenance tasks,
- e) student sport,
- f) performance of certain specific higher education tasks.

(3) State-funded higher education institutions shall be eligible for the state support, with the exception of the state support specified in Paragraph d) of Subsection (2), on an equal footing, and religious and private higher education institutions shall be eligible under an agreement entered into with the Government, unless otherwise provided for by law.

(4) Grants available through applications shall especially be provided for:

- a) studies in Hungarian language outside Hungary,
- b) launching and maintaining programmes with a small headcount,
- c) the performance of library tasks of higher education institutions,
- d) discharging student college tasks, promoting the activities of the Student Excellence College Centres,
- e) the execution of research and development tasks, and the utilisation of research results,
- f) operation of organisations accommodating students,
- g) developing and organizing student sport,
- h) developing and operating sports facilities of higher education institutions,
- i) the promotion of equal opportunities, and the support provided under the Bursa Hungarica Higher Education Local Government Scholarship.

(5) Non-Hungarian higher education institutions in neighbouring countries providing courses in Hungarian may also apply for grants under the call for applications advertised for Hungarian higher education institutions.

(6) The conditions and rules of submitting applications regulated in Subsection (4) shall be determined by the Government on condition that the total number of students in programmes with a small headcount may not exceed 5% of the number of students enrolled in higher education institutions. Eligibility for budgetary contribution to programmes with a small headcount shall be ensured for five to eight years per higher education institution.

(7) Funds for the contributions and grants specified in Subsection (4) shall be planned under the budget chapter of the ministry headed by the Minister.

53. Separate provisions supporting the operation of higher education

Section 85

(1) With a view to improving the quality of instruction and research, the Government may establish scholarships for students, lecturers and researchers. The scholarship established by the Government shall be exempt from public dues pursuant to a separate Act.

(2) The rules of awarding scholarships and the conditions thereof shall be defined by the Government.

(3) Study programmes specified by the Government in the legislation on the rules of multi-cycle higher education and on the procedure of launching programmes – containing at least 6 weeks of practical training, according to the programme and outcome requirements – shall be regarded as programmes with extensive practice.

CHAPTER XXV

ASSET MANAGEMENT OF INSTITUTIONS

54. General rules of asset management

Section 86

(1) Within the scope of their economic activities, higher education institutions may take any decision or action that contributes to the execution of the tasks specified in their founding charters, unless such move jeopardises their core activities and the efficient utilization of

public funds and public property. Thus, in particular, they may conclude contracts, join, establish a business organisation, and use and utilise the assets provided to them (hereinafter: assets provided to higher education institutions) under asset management agreements.

(2) Higher education institutions shall be committed to the proper and efficient use of funds at their disposal and the protection of intellectual and other properties.

(3) The legislation establishing the principles and conditions of managing national assets shall be applicable to the asset management of state-run higher education institutions.

(4) If any state higher education institution acquires assets under any title, the ownership of such assets shall be due to the state. However, a trusteeship agreement for an indefinite period shall be concluded with the higher education institution.

Section 87

(1) State-run higher education institutions shall act as administrators whereas the non-state higher education institutions shall be users – unless the maintainer assigns ownership of the assets – of the assets put at their disposal by the maintainer for the execution of their tasks.

(2) Higher education institutions shall use the assets and the movable – including intellectual products and other rights of financial value – and immovable property at their disposal for discharging the tasks specified in their founding charters.

(3) State-run higher education institutions may dispose of the assets provided to them subject to the provisions laid down in Section 86 (3), in the Act on Public Finances, and in this Act.

Section 88

(1) The rules applicable to business associations operating with state participation shall be applicable to the establishment of, obtaining participation by, and operation of business associations established by state-run higher education institutions, and to the liability of their executive officers.

(2) If the higher education institution is the holder of intellectual property rights, such rights may be transferred to an institutional association as non-financial contribution, and an undertaking may be established for the business utilization of such intellectual property rights. In other respects, the Act on research, development, and technological innovation shall be applicable to institutional associations established or operated for the utilization of intellectual property rights.

55. Special rules of renovation and investment

Section 89

(1) Within the framework of the institutional development plan, state higher education institutions shall

a) attend to development tasks,

b) with the prior consent of the Hungarian State Holding Company (hereinafter: “MNV Zrt.”) have the right to launch investments or contribute to the joint implementation of investment projects with assets at their disposal or in their possession.

(2) State higher education institutions may, acting in the name of the state of Hungary, transfer the ownership of state assets administered by it,

a) in full compliance with the general rules of selling state property,

b) against a consideration corresponding to the real market value of the assets,

c) with the prior consent of the minister responsible for the supervision of state assets,

d) with prior notification to the minister,

e) in case of real property, ensuring the pre-emption right of the municipal local government (in Budapest, the district local government) of the location of the real property.

(3) The higher education institution shall provide detailed justification for the petition for transfer. The supervision of state assets shall decide on the petition within 60 days of receipt of the written notification about the intent to transfer. The consent shall remain valid for a period of 180 days.

(4) If the asset to be sold is real property, the minister responsible for the supervision of state assets shall request information from MNV Zrt. on whether the real property is required to satisfy the location need of any state or budgetary organ already reported to the Hungarian State Holding Company by the time of receipt of the petition for the approval of the minister responsible for the supervision of state assets. Under the decision of the minister responsible for the supervision of state assets, the higher education institution, in order to satisfy the location need, shall terminate the asset management agreement applicable to the real property and shall return the real property to MNV Zrt. within 60 days of the decision.

(5) Within 30 days of completion of the transfer procedure, the institution, for registration and settlement purposes, shall forward to contract and other documents generated in the course of the procedure to the minister responsible for the supervision of state assets, and to the minister for information purposes. Contracts entered into in violation of the provisions laid down in Subsections (2) and (3) shall be null and void.

Section 90

(1) The remaining amount of the revenue earned through the alienation of real property, which is part of the Treasury assets administered by the state higher education institution, following the payment of public dues and the costs of alienation may be used by the higher education institution – with the approval specified in Section 89 (3) – to preserve or renovate the state-owned real properties administered by the higher education institution, or for investment purposes, including developments implemented under the framework of contractual Public Private Partnerships (PPP) entered into earlier.

(2) If the objective specified in the institution development plan is not achieved by the deadline specified in the approval of the minister responsible for the supervision of state assets, the maintainer shall withdraw the amount of the sales revenue, or, in case of hindrance, it shall take the necessary measures to ensure that the amount is paid to the state within 30 days.

(3) In the case of joint investment with a non-public investor, state higher education institutions shall be entitled, with the prior approval of the minister responsible for state assets, to transfer the real property they administer to the investor without a competition or grant the investor land tenure rights in respect of the property concerned, for a maximum period of 20 years.

(4) Intellectual products generated in the framework of the lecturer's or researcher's employment shall be subject to the provisions pertaining to the transfer of intellectual products created in an employment relationship or other similar relationship to the employer.

(5) The national assets provided to state-run higher education institutions shall be recorded in the registry kept on state assets; to this end, higher education institutions shall be liable to supply data as defined in a separate act.

PART EIGHT

SPECIAL OPERATING PROVISIONS

CHAPTER XXVI

*SPECIAL PROVISIONS PERTAINING TO THE OPERATION OF NON-STATE HIGHER
EDUCATION INSTITUTIONS*

56. Church Higher Education Institutions

Section 91

(1) Studies in religious practice together with studies in theology (hereinafter jointly referred to as “religious studies”) may be provided by higher education institutions maintained by a religious legal entity (hereinafter: “church higher education institution”).

(2) Church higher education institutions may provide training other than religious training.

(3) With respect to church higher education institutions,

a) they may define conditions of employment within the scope of Section 22 of the Equal Treatment Act when establishing employment,

b) they may distinguish between applicants on grounds of religious or philosophical conviction provided that such conviction directly follows from the intellectuality that underpins the organisational character of the higher education institution and is based on a proportionate and real expectation justified by the content or nature of the given instruction activity,

c) their maintainer may specify provisions other than those of Section 13 (2)–(3) with regard to the exercise of the employer’s rights, assets and management tasks,

d) the provisions of Section 38 (2) shall not be applied.

(4) Notwithstanding Sections 6 (2) and 9 (3), higher education institutions providing religious training shall be entitled to use the designation university even if they are authorised to offer a Master programme only in one field of training, and to organise a doctorate programme and confer a doctoral degree in at least one discipline of science or area of art.

(5) Notwithstanding Section 6 (2), higher education institutions providing religious training shall be entitled to obtain state recognition and to use the designation college, even if they are authorised to offer Bachelor programmes only in one field of training in one faculty.

(6) Church higher education institutions shall have the right to determine the content of religious studies and the requirements set for the lecturers and instructors involved in studies.

(7) In respect of religious studies, the procedure regulated in Paragraph a) of Section 6 (5) shall only be aimed at examining whether the necessary infrastructure conditions are ensured. Furthermore, higher education institutions shall determine the rules of the admission procedure and – except for the possession of a secondary school leaving certificate – the entry requirements.

Section 92

(1) Based on the agreement executed between the Republic of Hungary and the Holy See, higher education institutions, dormitories, and students’ halls of residence maintained by the Hungarian Catholic Church or a church that has entered into an agreement with the

Government for the performance of higher education tasks shall also be eligible for state grant provided for the maintenance tasks specified in paragraph d) of Section 84 (2) in proportion to its students participating a training supported by (partial) Hungarian state scholarship, as well as for occasional and single grants.

(2) Higher education institutions, dormitories, and students' halls of residence maintained by a church that has entered into an agreement with the Minister for the performance of higher education tasks shall also become eligible for the grant specified in subsection (1).

(3) The quota of students admissible to studies other than religious studies offered by the higher education institutions that are maintained by the churches listed under subsection (1) shall be established by the Minister on the basis of an agreement with the religious legal entities concerned, on condition that the ratio of annual state scholarship supported places and the total number of students admissible to state scholarship supported places may not be less than the ratio of state scholarship supported students enrolled in the higher education institutions maintained by the same church in the academic year 1997/1998 and the number of all state scholarship supported students.

(4) The quota of students admissible to state scholarship supported places in religious studies shall be determined in accordance with the clauses of the agreements listed under subsection (1) in a way that the number of students admissible to the Master programme shall equal the number of students admissible to the Bachelor programme.

(5) Applicants of Hungarian nationality living in neighbouring countries may also be admitted to state scholarship supported places in religious studies or to religious studies even if not covered by Section 39 (1).

(6) With respect to religious studies,

a) the acceptance of a certain religion or ideology and its attestation may be stipulated as a precondition of admission,

b) the statutes of church higher education institutions may state provisions other than those of ba) set of employment related requirements referred to in paragraph a) of Section 11 (1),

bb) paragraph f) of Section 11 (1), with the exception of the rule concerning political convictions,

bc) Sections 12 and 13 (2)–(6),

c) maintainers may reserve the right to establish positions, exercise the employer's rights, award appointment and other titles except for the titles of college and university professor,

d) the provisions of Sections 26 (3) and 65 (4), as well as the provisions relating to the institutional development plan shall not be applied; nonetheless, the rules on state recognition shall be complied with,

e) the preliminary expert opinion of the Hungarian Accreditation Committee shall not be necessary for awarding the title of university professor,

f) the provision on the minimum number of lecturers required to establish university or college faculties shall not be applicable [paragraphs aa) and ba) of Section 108 (11)],

g) the establishment of a teacher training centre shall not be mandatory.

Section 93

(1) Higher education institutions offering only religious studies shall be entitled to suspend their activities. Suspension may only take place if the institution concerned has no students enrolled. Suspension and cessation of suspension shall commence upon notification by the maintainer, once the Educational Authority has recorded the suspension or cessation of suspension. In the event the duration of suspension exceeds five years, the Educational Authority shall conduct an official inspection to examine the fulfilment of the conditions set forth in the license for operation prior to the recommencement of activity.

(2) The grant available for religious studies provided by church higher education institutions shall equal the grant supplied for programmes offered in the field of humanities or teacher education for humanities subjects. The appropriation allocated for the training of students enrolled in religious studies at church higher education institutions shall be planned as a separate budget appropriation.

(3) Where this Act refers to employment, such relationship shall also mean affiliation to the clergy in the case of church higher education institutions.

(4) In respect of religious studies, the Minister shall regulate the programme and outcome requirements of the Bachelor and Master programmes upon the request of the religious legal entity.

(5) Upon the request of religious legal entities that maintain higher education institutions, a theology subcommittee shall be set up within the Hungarian Accreditation Committee.

(6) Church higher education institutions shall operate in accordance with

a) the relevant provisions of act on the freedom of conscience and religion, and on the status of denominations and religious communities, and Act CXXIV of 1997 on the material conditions of the religious life and public purpose activities of churches,

b) the provisions of Paragraphs (2)–(3) and (8) of Section 94, and of Paragraphs (2)–(3) and (6) of Section 95.

57. Private Higher Education Institutions

Section 94

(1) Where a higher education institution is maintained by a person or organisation specified in paragraphs c)–d) of Section 4 (1) (hereinafter: “private higher education institutions”), it may operate as an institution committed to a certain religious or philosophical conviction, and may incorporate in its educational programme philosophical, ethical and cultural knowledge relevant to its religious or philosophical conviction.

(2) Private higher education institutions in their statutes may from the provisions laid down in Sections 12 (7), 12 (8), 29 (1), 37 (3), (5)–(6), and 83 (1) and (5).

(3) Private higher education institutions – if the Government agreed to provide support in an agreement – shall be entitled to the supports stipulated in Sections 84 (2) a)–c) and e), in addition to those stipulated in the agreement. The provisions laid down in this Subparagraph shall also be applied to higher education institutions maintained by a national minority government.

(4) Private higher education institutions may engage in activities aimed at the fulfilment of the tasks defined under Sections 2 (1) and (3), and shall manage the institution accordingly, in line with the provisions of this Act and as defined by the Government (hereinafter: “management system of private higher education institutions”).

(5) Private higher education institutions shall state in their founding charters whether they foresee to pursue their activities as public benefit organisations or as business undertakings.

(6) If the number of students pursuing their studies with (partial) state scholarship in the private higher education institution does not reach 50 percent of all students admitted to the higher education institution – in the average of five years –, the provisions of Section 73 (3) shall apply except that the higher education institution’s budget, annual report – drafted in compliance with the accounting regulations –, statutes, and institutional development plan shall be approved by the maintainer.

(7) Higher education institutions may institute court proceedings according to Section 75 (1).

(8) By way of derogation from the general provisions of this Act, private higher education institutions may obtain state recognition and may use the name college, even if they are not operated in a faculty structure.

Section 95

- (1) If a private higher education institution does not operate as a public benefit organisation, then it shall perform its tasks under Sections 2 (1) and (3) as business activities.
- (2) Maintainers may define in the founding charter the way in which the higher education institution's earnings shall be distributed and the maintainer's share in the earnings.
- (3) Private higher education institutions shall manage the assets at their disposal independently, in line with the stipulations of their founding charters or if they have state assets compliant with the provisions relating to public finances, within the confines of their budget.
- (5) The revenues of private higher education institutions may include:
 - a) funds provided by the maintainer,
 - b) state funding,
 - c) other revenues.
- (5) Costs and expenses of private higher education institutions may include:
 - a) direct and indirect costs arising in connection with the tasks under Sections 2 (1) and (3),
 - b) direct and indirect costs of business activities,
 - c) other expenses.
- (6) Private higher education institutions shall keep revenue and expenditure accounts in line with the accounting standards. Maintainers shall be liable as guarantors for any commitment of their respective private higher education institutions which they cannot fulfil due to a shortfall in their assets. Where a private higher education institution is dissolved without a successor, its rights and obligations shall be assumed by the maintainer.
- (7) Private higher education institutions shall publish their balance sheets and reports on their business activities annually.

CHAPTER XXVII

SPECIAL PROVISIONS PERTAINING TO HIGHER EDUCATION INSTITUTIONS OPERATING AS PUBLIC BENEFIT ORGANISATIONS

58. Rules of operating as public benefit organisation

Section 96

- (1) Non-state institutions of higher education may operate as a public benefit organisation provided that their founding charter and statutes so license and they have been registered as a public benefit organisation by the Educational Authority by way of its final decision. The maintainer of the higher education institution shall request the registration of the institution as a public benefit organisation or its cancellation from the register as a public benefit organisation with the Educational Authority. Higher education institutions may qualify as a public benefit organisation also if it is so requested in the establishment procedure carried out in line with the rules relevant to the higher education institution concerned.
- (2) Higher education institutions requesting their registration as a public benefit organisation shall indicate any one of the activities defined under Sections 2 (1) and (3) in their founding charter as an activity in the public interest (target activity).
- (3) The core activity of higher education institutions to be designated in their founding charter shall be the activity in the public interest (target activity) for higher education institutions operating as a public benefit organisation. Higher education institutions operating as a public benefit organisation may also pursue business activities. In respect of their target activity and business activity, higher education institutions operating as a public benefit organisation shall

be entitled to the benefits set forth in Section 36 of the act on the freedom of association, on the status of public benefit organisations, and on the operation and support of civil organisations.

(4) Paragraphs f)– i) of Section 12 (7) of this Act shall not apply to higher education institutions operating as a public benefit organisation.

(5) The operation of higher education institutions operating as a public benefit organisation shall be public, and so is the meeting of their senate, unless otherwise provided by law. Publicity may be restricted in accordance with the provisions of the statutes of the institution, provided that it is likely to jeopardise or violate personal rights, trade secrets related to the business activity (activity not serving the public interest) of the institution or rightful interests pertaining to intellectual products.

In respect of higher education institutions operating as a public benefit organisation, the provisions of the act on the freedom of association, on the status of public benefit organisations, and on the operation and support of civil organisations (hereinafter: “Civil Act”) shall apply subject to the following derogations:

a) the provisions of paragraphs a)–b) and d) of Section 37 (2) and paragraphs a)–d) of Section 37 (3) of the Civil Act shall be stipulated in the statutes of the higher education institution except that the senate shall convene a meeting at least twice a year,

b) with regard to paragraph c) of Section 37 (2) of the Civil Act the rules pertaining to the operation and the powers of the supervisory body shall be defined by the maintainer in the founding charter of the institution where it shall also provide for the establishment of the supervisory body.

(7) Any amendment made to the statutes following the obtaining of public benefit status shall be sent to the Educational Authority by the rector. Amendments to the founding charter shall enter into force once the changes contained therein have been registered by the Educational Authority by way of its final decision.

CHAPTER XXVIII

SPECIAL PROVISIONS PERTAINING TO HIGHER EDUCATION INSTITUTIONS OF MEDICINE AND HEALTH SCIENCE, AND OF AGRICULTURAL SCIENCES

59. Operation of medical higher education institutions

Section 97

(1) Universities offering programmes in medicine and health science (hereinafter: “medical higher education institution”) shall participate in medical care provision, and shall to this end establish and maintain a medical service provider or shall enter into a partnership with a medical service provider. For the purpose of practical training, medical higher education institutions may enter into an agreement with the medical service provider to ensure university hospital, specialist consultation and pharmaceutical practice.

(2) Medical higher education institutions – as defined in a separate Act – shall pursue medical forensic activities. If a higher education institution is not a medical higher education institution, but delivers programmes in health science, the provisions of this subsection shall apply to the organisation of practical training.

(3) Medical higher education institutions, in order to perform their education and research related tasks within higher education institutions, may operate one medical service provider. Medical service providers may operate as part of a medical higher education institution (hereinafter: “teaching hospital centre”). Teaching hospital centres shall have Treasury accounts.

(4) Based on an agreement, medical service providers of medical higher education institutions shall participate in the provision of territorial medical services and progressive patient care, in which respect the health insurance body shall execute a funding contract with the medical service provider of the medical higher education institution. The amount disbursed by the health insurance body in consideration of medical services shall only be used for the purposes stipulated in the contract.

(5) Medical higher education institutions may participate in regional health improvement activities, and may participate in restructuring and funding pilot projects.

Section 98

(1) Where a medical service provider operates as part of a central budgetary organisation, the budgetary investment, renovation, and development funds of the medical higher education institution shall be planned in the budget chapter of the ministry headed by the Minister responsible for health. The ministry headed by the Minister responsible for health shall have the right to control management in connection with the budget appropriations allocated from the chapter. It may request preliminary information or reports, and may initiate the discussion of medical service issues at university forums.

(2) Medical higher education institutions shall organise specialist, dentistry, pharmaceuticals, clinical psychology, and public health specialist programmes, and vocational or postgraduate programmes in medicine for holders of other academic degrees, and shall at the same time provide such medical services under the professional supervision and coordination of the Minister responsible for health. The Minister responsible for health shall supervise and coordinate medical higher education institutions' activities in education, remedy, prevention and sectoral research and development.

(3) Where – as part of their positions – staff are involved in the performance of both the training tasks and tasks relating to medical services of a medical higher education institution, the ratio of working hours up to which the training tasks and the tasks relating to medical services are performed shall be specified. The rules of employment and remuneration – appropriate to the split of working hours – pertaining to the specific activities shall be applied.

Section 99

Medical higher education institutions may set up a medical and health science centres in order to coordinate the health care tasks (hereinafter: “health science centre”). Health science centres shall comprise the higher education institution's teaching hospitals, research institutes engaged in medical services, and other organisational units. Under the asset management contract concluded with the higher education institution, the president of the health science centre shall exercise trusteeship in respect of the assets available for health care and remedial and preventive activities. In case of sale or utilization of assets purchased or operated by the Health Insurance Fund, the approval of the body appointed by the minister responsible for health care shall be obtained.

(2) The health science centre shall be headed by the president, who shall carry out his/her work in a senior executive position. The rules of election of the president shall be defined in the statutes. The head of the centre shall also be responsible for the executive tasks defined in Subsection (3). In respect of the health care centre, the university shall be represented by the head of the centre. Heads of health science centres shall exercise the right of disposal over the appropriations allocated for the execution of the tasks specified under Section 97 (3), and Section 98 (1).

(3) If no centre is established, the head responsible for the management of medical services, who shall hold a senior executive position, shall be specified in the statutes (hereinafter: “head responsible for medical services”). Heads responsible for medical services shall control the

organisation of medical service provision independently, and shall in this respect exercise the employer's rights. Where a head responsible for medical services is a person other than the rector, his/her duties, obligations and powers to undertake commitments shall be regulated in the statutes.

(4) Under statutory conditions, the Minister responsible for health shall grant state funding for the health care services provided by the higher education institution. The medical activities performed by medical higher education institutions, medical research, medical developments, and medical vocational and postgraduate training shall be subject to the provisions pertaining to the professional governance and organisation of health care and the powers of the Minister responsible for health as to professional governance, as well as to laws that determine the organisation of medical services, the qualifications of those discharging the tasks, and the funding of medical services.

60. The agriscience centre

Section 100

(1) At universities of agriscience, separate practice facilities, practice farms, research institutes, museums, and botanic gardens may be operated as part of an agriscience centre. The budget of the agriscience centre and the related financial management rights shall be stipulated in the statutes.

(2) The agriscience centre shall coordinate the agricultural tasks, shall contribute to the pursuit of sectoral research, development and innovation, territorial specialised counselling, postgradual education in agriscience, and the tasks of practical training. To this end, scaled-to-function state funding may be granted by the Minister responsible for agriculture.

(3) In respect of agriscience centres, Section 99 (2) shall be applicable as appropriate.

CHAPTER XXIX

SPECIAL PROVISIONS PERTAINING TO ART HIGHER EDUCATION INSTITUTIONS AND TEACHER TRAINING

61. Art higher education institutions

Section 101

(1) Where a higher education institution provides training exclusively in any branch of art (hereinafter: "art higher education institution"), the provisions of this Act shall be applied subject to the following derogations.

(2) Higher education institutions of art may establish and maintain art workshops.

(3) Academic studies in the branch of dancing may be started during secondary education prior to the secondary school-leaving examination in a way that students acquire student status in the given higher education institution in addition to their secondary school student status. In such cases, the language exam requirement laid down in Section 40 (2) in relation to admission shall not be applied. Students shall acquire the requirements of the secondary school-leaving examination concurrently with those of art education. With respect to students regulated in this Subsection, the provisions of the Labour Code on interim breaks and relaxing time of young employees shall be applicable.

(4) Art higher education institutions may use the university or college status, even if they are entitled to provide Bachelor or Master programmes in one field of training, and to offer doctorate programmes and confer doctoral degree in one discipline of science. Subject to its

statutes, the institution may deviate from the general requirements applicable to the number and type of faculties.

(5) Holders of a Bachelor degree and professional qualification may also attain the position of lecturer or instructor if a Master programme in the given field of training has been offered for less than 10 years, unless the scientific degree is a precondition of holding a lecturer position.

(6) For completion of Bachelor and Master programmes in art education, in addition to the requirements specified in Section 50 (4), the final examination shall include the creation of a work of art, or the production, presentation and defence of a performance.

(7) Art higher education institutions may undertake tasks in primary art education and vocational training in art by setting up a public education institution. Art higher education institutions may prepare secondary school students for admission to any art higher education institution. Higher education institutions shall register students without establishing student status (hereinafter: “preparatory status”). In respect of students in preparatory status, higher education institutions shall be eligible for the per student grant calculated for students in primary art education. On the basis of preparatory status, students shall be offered at least four contact hours a week either with a lecturer or an instructor, which may be performed as part of the job description of the lecturer or instructor. The rights and obligations of students enrolled in the training shall be stipulated in the statutes of higher education institutions.

(8) Where a higher education institution offers art programmes without having the status of art higher education institution, its operation shall be subject to the provisions of subsections (2)–(3) and (5)–(7).

62. The Organization of Teacher Training

Section 102

(1) Types of teacher training:

- a) infant and baby carer training,
- b) kindergarten and primary school teacher training and conductive therapist and special education teacher training,
- c) primary school teacher training,
- d) secondary school teacher training.

(2) The duration and level of trainings:

- a) infant and baby carer training and kindergarten teacher training may be organized at the Bachelor level, and the duration of the training for a Bachelor degree shall be eight semesters;
- b) primary school teacher training and conductive therapist training may be organized at the Bachelor level, and the duration of the training for a bachelor degree shall be eight semesters, following which – while maintaining student status – two semesters of school practice shall be compulsory; in primary school teacher training and conductive therapist training, a Master level degree may be acquired;
- c) special education teacher training may be organized at the Bachelor level, and the duration of the training for a Bachelor degree shall be eight semesters, complemented by a three-semester Master programme;
- d) primary school teacher training may be organized as a single-cycle long programme, and the duration of the training shall be eight semesters, following which – while maintaining student status – two semesters of school practice shall be compulsory; a Master level degree may be acquired in primary school teacher training;
- e) secondary school teacher training may be organized as a single-cycle long programme – or, in cases determined by the Government, as multi-cycle programme – and the duration of the training shall be ten semesters, following which – while maintaining student status – two

semesters of school practice shall be compulsory; a Master level degree may be acquired in secondary school teacher training.

(3) Those participating in the training shall be supported by the Government – on top of state bursaries – through teacher study bursaries, awarded via a tender procedure. The conditions for the use of the bursary shall be regulated by the Government via decree.

(4) Those who wish to become teachers shall participate in an aptitude test as part of the selection procedure.

(5) The programmes, specialisations, eligible equivalent programme pairs and eligible equivalent specializations of Bachelor and Master programmes and single-cycle long teacher training and the general rules of the specialization system of Master programmes shall be determined by the Government. The Minister shall define in a decree the programme completion and exit requirements of the teaching profession.

Section 103

(1) In higher education institutions that offer primary school or secondary school teacher training in at least two programmes, the coordination of tasks related to the technical aspects, content, organizational and scientific aspects of teacher training and the organization of theoretical and practical training shall be handled by the teacher training centre, headed by the director-general. Each institution may set up one teacher training centre.

(2) The teacher training centre shall coordinate especially the interviewing, selection, admission and reception through transfer of students, the procedures for the recognition of credits, pedagogical training and the final examination, and it shall organize, oversee and evaluate school practice. It shall track student performance and carry out career tracking.

(3) Higher education institutions that carry out teacher training shall – through the teacher training centres – participate in postgraduate training, pedagogical research and teacher qualification procedures.

(4) Higher education institutions that carry out teacher training may operate public education institutions (schools for teaching practice) that participate in the practical training of students. Public education institutions run (as schools for teaching practice) by higher education institutions that train special education teachers may carry out activities related to teaching and education that are not public education activities.

(5) Where a higher education institution may provide national or ethnic minority teacher training as stated in its founding charter, such training shall be organised for applicants who meet the entry requirements.

(6) Affiliation to any minority shall be deemed confirmed if the secondary school-leaving examination has been taken in the minority language.

(7) The language of the minority concerned shall be taught throughout the whole length of the programme in national or ethnic minority teacher training.

(8) National and ethnic minority teacher training shall be considered as a programme with a small headcount for funding purposes.

Section 103

(1) In higher education institutions that offer primary school or secondary school teacher training in at least two programmes, the coordination of tasks related to the technical aspects, content, organizational and scientific aspects of teacher training and the organization of theoretical and practical training shall be handled by the teacher training centre, headed by the director-general. Each institution may set up one teacher training centre.

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credits, pedagogical training and the final examination, and it shall organize, oversee and evaluate school practice. It shall track student performance and carry out career tracking.

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(5) Where a higher education institution may provide national or ethnic minority teacher training as stated in its founding charter, such training shall be organised for applicants who meet the entry requirements.

(6) Affiliation to any minority shall be deemed confirmed if the secondary school-leaving examination has been taken in the minority language.

(7) The language of the minority concerned shall be taught throughout the whole length of the programme in national or ethnic minority teacher training.

(8) National and ethnic minority teacher training shall be considered as a programme with a small headcount for funding purposes.

CHAPTER XXX

MISCELLANEOUS PROVISIONS

63. Rules Specific to Public Administration, Law Enforcement and Military Higher Education Institutions and Other Institutions

Section 104

(1) The measures of this Act shall apply to public administration and military higher education institutions and higher education institutions training students in these areas and the employees and students of such institutions with the derogations set out in the Act on the University of National Public Service.

(2) Any issues to be regulated in the employment requirements pursuant to this Act may also be regulated in the collective agreements of higher education institutions.

(3) The coat of arms of Hungary may be displayed on the premises of higher education institutions that serve the pursuit of their core activities, on their signboards, facades, circular stamps and diplomas and diploma supplements issued.

(4) The International Pető András Institute of Conductive Education for the Motor Disabled and Conductor-Teacher Training College is an institution of higher education operating as a college.

(5) Andrassy Gyula University is an institution of higher education operating as a university, which – in accordance with its deed of foundation – can diverge from the requirements set out for higher education institutions in Section 6 (2) and Section 9 (3), but it shall observe the training system described in Sections 15 and 16.

(6) Section 1 (2) c) of Act LXV of 2006 on the Amendment of Act XXXVIII of 1992 on the State Budget shall not apply to the Public Foundation for the German Language University Budapest.

(7) Higher education institutions operating as a university on 31 December 2011 operated by an entity as defined in Section 7 (1) c)-d) of Act CXXXIX of 2005 on Higher Education may a) derogate as per their deed of foundation aa) from the conditions prescribed for higher

education institutions in Sections 6 (2) and 9 (3) while observing the training system described in Sections 15 and 16; ab) from the general conditions for the personal qualification conditions for the position of rector; b) in case of ba) no work permit shall be required for educational, scientific research and artistic activities carried out in the institution by persons defined in Act II of 2007 on the Admission and Right of Residence of Third-Country Nationals; bb) with regard to the fulfilment of the employment and qualification requirements prescribed in this Act, in addition to the provisions of Section 105 (5), the higher education institution may declare in its statutes that doctoral degrees, Candidate of Sciences and Doctore of Science degrees acquired in a member state of the European Economic Area or the Organisation for Economic Co-operation and Development (OECD) are equivalent to scientific degrees.

64. Regulations on Earlier and Other Foreign Degrees

Section 105

(1) The title “university doctor” awarded in doctoral procedures before 1 September 1984 or at a later date in doctoral procedures authorised before the aforementioned date shall remain in use.

(2) A person who earned the title "doctor universitatis" after 1 September 1984 shall remain eligible to use the abbreviated form "Dr. Univ."

(3) The title “Doctor of Theology” awarded by theological universities before 1 September 1993 shall remain in use.

(4) Doctoral degrees conferred by universities before 31 December 1997 or any equivalence to the established doctoral degree shall remain valid.

(5) Where a law stipulates a scientific degree as a precondition of employment or qualification, this shall be construed as a doctoral degree, Candidate of Sciences, Doctore of Science, or nostrified and recognised scientific degrees awarded abroad.

(6) Holders of the Candidate of Sciences degree shall be entitled to use the designation ‘doktori fokozat’ [doctoral degree].

Section 106

(1) Any DLA degree conferred pursuant to Act LXXX of 1993 on Higher Education shall correspond to the DLA degree available in the area of art according to this Act.

(2) A person who a) received a diploma at a Hungarian university or college before the entry into force of this Act shall be entitled to using the following titles:

aa) the doctorate title of physicians, dentists, veterinarians, and lawyers which certifies a university degree (corresponding abbreviated forms: Dr. Med., Dr. Med. Dent., Dr. Vet., Dr. Jur.),

ab) holders of a university degree not listed under a) shall add “okleveles” (certified) to the title of engineer, economist, teacher, or – depending on the programme – any other title defined in the qualification requirements,

ac) holders of a college degree – depending on the orientation of studies – shall be engineers, economists, teachers, primary school teachers, pre-school teachers, special education teachers, trainers, or any other title specified in the qualification requirements,

b) those who acquired a degree as a pharmacist before the entry into force of Act CVI of 2008 on the Amendment of Certain Healthcare Acts in a Hungarian higher education institution shall be entitled to using the doctoral title that certifies their university degree (Dr. Pharm).

(3) Higher education institutions awarding a diploma (or their successor) shall issue a certificate on the entitlement referred to in subsection (2).

(4) Nostrified (recognised) diplomas shall be subject to subsections (1) and (2) unless recognition or nostrification was carried out by a former, governing ministry, in which case the certificate shall be issued by the Minister.

(5) The following titles awarded before the entry into force of this Act and their abbreviated forms shall remain in use: a) titles:

aa) *Promotio sub auspiciis praesidentis Rei Publicae*,

ab) *Doctor Honoris Causa*,

ac) *Doctor with Habilitation*,

b) abbreviated forms:

ba) in the case of holders of a PhD degree the abbreviation “PhD” or “Dr.”, for holders of a DLA degree the abbreviation “DLA” or “Dr.”,

bb) in the case of paragraph ab) the abbreviation “Dr. H. C.”,

bc) for the title under paragraph ac) the abbreviation “dr. habil.”.

(6) The professional qualification evidenced by the specialisation certificate awarded before 1 September 1996 for completion of higher education institutions’ postgraduate specialisation programmes shall be equivalent to the professional qualification available in any specialist postgraduate programme defined in this Act in terms of accessible positions and pursuit of a profession (activity).

(7) College professors who are entitled to use the title Professor at the time of entry into force of this Act shall remain eligible for such title after this Act has entered into force.

(8) Higher education institutions can award foreign titles different from those specified in this Act after issuing the diploma by the Senate's decision, if this does not conflict with the legal regulations in force in the country in question, and if the institution has the appropriate specific authorization with regard to education in the country of the place of education or other subsequent conditions. The conditions and procedures of awarding said titles shall be regulated by the organisation and operational manual of the higher education institution.

65. Language Examinations, Bursaries

Section 107

(1) Where the conferral of a diploma or certificate is conditional on passing a general foreign language examination, students who reached at least the age of 40 in the year of starting their first-year studies shall be exempted from the fulfilment of this requirement. This provision shall be applied for the last time in respect of those who take their final examination in the 2015/2016 academic year.

(2) If so required by the organisation and operational manual of the higher education institution, apart from those listed in (1), students who fail to submit to the higher education institution the documents certifying a general foreign language examination within three years of the day of their successful final examination, and, instead of meeting the general language examination requirements for acquiring a diploma or certificate, take a language test organized by the higher education institution shall also be exempted from the general language examination requirement for acquiring a diploma or certificate. This provision shall be applied for the last time in respect of those who take their final examination in the 2012/2013 academic year.

(3) The equivalence between the six-level language examination system recommended by the Common European Framework of Reference for Languages produced by the Council of Europe and the basic, intermediate and advanced state accredited or an equivalent language examination, as well as the rules pertaining to state accredited language examination which certifies knowledge of a foreign language shall be defined by the Government.

(4) The list of personal and special data handled within the framework of the Bursa Hungarica Local Government Bursary for Higher Education operated in cooperation by the government and local governments and the rules for data management are contained in Annex 4.

(5) The rules of awarding bursaries, their specific amounts, and the scope of eligible persons and any further transitional rules in connection with the introduction of this Act shall be determined by the Government.

66. Definitions

Section 108

For the purposes of this Act:

1. *Doctoral dissertation* means a written work, composition or paper whereby the PhD / DLA candidate demonstrates in the course of the doctoral degree award procedure that he/she is capable of fulfilling an independent research assignment appropriate to the degree requirements,

2. *Health test* means a medical examination involving physical endowments and health condition to determine whether a person is capable of pursuing the chosen activity and whether such activity could jeopardise his/her health,

3. *The schedule of evening programme*: a schedule by which during term-time classes are held after 16:00 or on non-working days,

4. *Phasing-in system* means an organisation principle on the basis of which compliance with the new and amended academic and examination regulations can be demanded from students who started their studies after the introduction of the regulations or from students who started their studies before introduction but chose to work for their degree in accordance with the new and amended academic and examination regulations,

5. *Semester* means an instruction provision period of five months,

6. *Student (applicant) with disability* means a student (applicant) who suffers from physical, sensorial or speech disorders, autism, or disorders of cognitive and behavioural development,

7 a, *Student grant contract*: A contract concluded between the Hungarian State and the student – according to the subsection 28/A - who was admitted to a programme (partially) financed through state grant. ..

b, *Habilitation* means the assessment of instruction and lecturing skills and the academic performance of holders of a scientific degree,

8. a *Disadvantaged student (applicant)* means a student (applicant) younger than twenty-five years at the time of registration who was taken under the protection of a notary during his secondary school studies for family reasons, social status; a student after whom the state pays child welfare benefit and is authorised to get child welfare allowance; or a student in state care.

b. *Multiply disadvantaged student (applicant)* means a student (applicant) whose parents made a voluntary statement according to the Act on Child Care and Guardianship and declared to have accomplished basic (lower secondary) education only, when the student (applicant) reached the school age, or a student who was adopted.,

9. *Institute* means the organisational unit which coordinates the activities of several departments or performs the function of several departments,

10. *Institutional document* means the founding charter and the regulations, programmes, plans stipulated in this Act, thus in particular the organisation and operational manual, educational programme, institutional development plan, bylaws of the student union, strategy for research, development, and innovation and regulations based on the Act on accounting and its decree on implementation.

11. *Faculty* means the organisational unit in charge of the instruction, research, and artistic activities of related degree programmes in one or more fields of study or discipline of science as defined in the educational programme,
- a) *University faculty* means an organizational unit where
 - aa) the number of full-time lecturers is 40 or more
 - ab) at least half of the full-time lecturers and researchers have a scientific degree, and lecturers with a scientific degree carry out regular research activity
 - ac) the number of students participating in full-time day-time education is no more than 35 students per full-time lecturer with a scientific degree
 - ad) at least three of the full-time lecturers and researchers are core members of the university's doctoral school.
 - b) *College faculty* means an organizational unit where
 - ba) the number of full-time lecturers it at least 35,
 - bb) at least one third of full-time lecturers has a scientific degree,
12. *Qualifications framework* means the general characteristics of the specific degrees in the multi-cycle system that are identical in each field of,study
13. *Branch of study* means the programmes in a certain field of study whose contents are identical in the initial phase of,studies
14. *Programme and outcome requirements* mean the knowledge, skills, proficiency and abilities (competencies) whose acquisition is a precondition for acquiring a diploma in the given programme,
16. *Term of study* means the division of the length of the programme into term-time and the pertaining examination period,
17. *Educational programme* means the complex education document of the institution, which contains
- a) a detailed programme and academic requirements of the Bachelor, Master and single cycle long programmes, higher education vocational training and specialist postgraduate programmes,
 - b) the programme of the doctoral studies,
- together with detailed rules of studies, thus the curriculum, the programme of studies and course-units, and the evaluation and assessment methods together with the pertaining procedures and rules,
18. *Field of study* means the programmes and branches of study defined in a Government decree, whose contents are similar or partly identical,
19. *Programme with a small headcount* means a programme launched on the basis of international commitment, cultural or education policy concerns, whose annual quota of students (partially) supported by state bursary may not exceed 20 persons per year; or a national or ethnic minority programme,
20. *University hospital* means a medical service provider that is an organizational unit of an institution of higher education and contributes to the instruction and research tasks of education in medicine,
21. *Consultation* means an opportunity for personal discussion provided by the lecturer of the higher education institution to a student,
22. *Credit* means a unit of students' work which represents in relation to the course-unit or curricular unit the estimated time necessary for the acquisition of a specific body of knowledge and the fulfilment of requirements; one credit equals 30 study hours on average, and the value of a credit – supposing that the student's performance was accepted – does not depend on the evaluation the student's knowledge received,
- 23.

- a, student financed through (partial) state grant means a student financed through state grant and a student financed through partial state grant.
- b, a programme financed through (partial) state grant means a programme financed through state grant and a programme financed through partial state grant.
- c, *Schedule of correspondence programme* means a schedule of study provision where, unless otherwise stated in an agreement concluded with the students concerned, the contact hours of students are delivered in a condensed form, on working days or on regular holidays once every two weeks at the most, and the methods of distance learning are applied in the rest of the studies,
24. *Mentoring programme* means a particular form of studies where disadvantaged students are assisted with preparation by the student or lecturer of the higher education institution,
26. *Study in another higher education institution* means the period when a student obtains credit in another higher education institution while enjoying a visiting student status,
27. *Subspecialization* means studies aimed at the acquisition of specialised knowledge which forms part of the faculty and does not result in the acquisition of a separate professional qualification,
28. *Programme* means studies towards a professional qualification, which comprises the pertaining content requirements (knowledge, proficiency, skills) in a uniform system,
29. *Specialisation* means studies aimed at the acquisition of specialised knowledge which forms part of the faculty and results in the acquisition of a separate professional qualification,
30. *Qualification* means evidence of specialised knowledge awarded with a Bachelor or Master degree or acquired in specialist postgraduate programme or higher education vocational training, such knowledge being determined by the content of the programme and the subspecialization or specialisation preparing the student for access to the profession and certified in the diploma or higher-level vocational diploma
32. *Practice* means partially independent student activity carried out in an external practical training location or a practical training location belonging to the higher education institution as part of higher education vocational training, Bachelor, Master or single cycle long programme.
33. *Off-site programme* means full-time or part-time higher education provided at a site other than the place of operation (seat, site) of a higher education institution,
34. *Place of off-site programme* means the municipality where off-site education (other than postgraduate specialist programme) is provided,
35. *Study unit* means a unit of the curriculum or a course rewarded by credits that can be completed in a semester,
36. *Academic year* means an instruction provision period of ten months,
37. *Contact hour* means a class requiring the personal cooperation of the lecturer for the fulfilment of the academic requirements specified in the curriculum (lecture, seminar, practice, consultation), with a duration of no less than 45 minutes and no more than 60 minutes
38. *Curriculum* means an educational plan based on the programme and outcome requirements, made up of: the class and examination plan according to study units broken down by programme, , the evaluation system of the completion of requirements and the specific programmes of study units,
39. *Department* means an organisational unit in charge of education, research and instruction provision in connection with at least one subject,
40. *Distance education* means a particular form of education, involving the use of ICT teaching aids, teaching-learning methods and digital study materials, based on the interactive relationship between lecturer and student and the student's individual work, where the number of contact hours is less than 30% of the contact hours in full-time programme,

41. *Site* means a municipality other than the location designated in the founding charter, where an organisational unit operates,

42. *Disciplines of science* mean humanities, religion, agriculture, engineering, medicine, social sciences, natural sciences, and arts, which divide into branches of science,

43. *Pre-degree certificate* means a certificate that states without qualifications and evaluations that the student has passed the curricular examinations and – except for passing the language examination and writing the degree thesis – satisfied all academic requirements and has earned the number of credits prescribed in the programme and outcome requirements – except for the credit points rendered to the degree thesis,

44. *Examination* means a form of assessment to verify and evaluate the acquisition of knowledge, skills and abilities.

PART NINE

CLOSING PROVISIONS

CHAPTER XXXI

IMPLEMENTING PROVISIONS AND AUTHORIZATIONS

67. Entry into force

Section 109

(1) This Act - with the exceptions set out in (2)- (3) - shall enter into force on 1 January 2012.

(2) Sections 1-9, -, 11-48, 49-53, 55-69, 72-107, 108 (1)-(7), (8)- (23), (24) – (44) 110 (1) 2-11, 13-18, 20 and-22 and 24-27, 110 (2)-(4), 111 (1)-(5), 112-114, 115 (1)-(4) and (6)-(7), 117 (1)-(4) and (6), 118-119, 120 (1) and Annexes 1-4 shall enter into force on 1 September 2012.

(3) Sections 10., 54 and paragraphs (1), (12), (21) of section 110 shall enter into force on the 31 of July.

68. Authorization Provisions

Section 110

(1) The Government shall be empowered to regulate by decree:

1. the preconditions and procedures for awarding priority higher education institution, research university, research faculty and applied research college status, and the conditions for using the funding provided based on said status,

2. The structure of programmes offered in separate cycles and that of single-cycle long programmes,

3. the minimal conditions for setting up and operating higher education institutions and students' halls of residences maintained by churches, religious legal entities and foundations, the foundation procedures and fees, and the conditions for setting up public education institutions for teaching practice and off-site programme outside the territory of Hungary.

4. the framework of the qualification and the rules of doctoral programmes,

a) the fields of study, branches of study, and programmes with reference to Bachelor and Master programmes, the number of corresponding credits, and the rules of procedure concerning the launching of courses, as well as the programmes in the case of which off-site practice outside the campus of the higher education institution shall be organised,

- b) the rules of procedure and conditions for setting up doctoral schools, the general rules concerning the membership and organization of doctoral schools, the powers of the doctoral council, the public availability of doctoral theses and dissertation and the procedure for acquiring a doctorate,
5. the system of language examinations recognized by the state, and in particular the equivalence between the six-level language examination system recommended by the Common European Framework of Reference for Languages produced by the Council of Europe and the basic, intermediate and advanced state accredited or an equivalent language examination, as well as the rules pertaining to state accredited language examination which certifies knowledge of a foreign language,
6. procedural issues pertaining to the operation of the higher education information system, data provision, the student pass, lecturer pass, and the student and lecturer identification number, the service fees applicable to the issuing of student and lecturer identity passes and their rates, as well as the requirements pertaining to the content, layout and authorization procedures of the centrally issued documents higher education institutions are required to use – the documents issued before acquiring a diploma, and the certificates attesting the successful completion of studies and the passing of the final examination – and the rules of keeping records on the state-funded period and of re-assignment between studies (partially) supported by state bursaries and self-financed studies,
7. the rules pertaining to vocational higher education, and the fields of study, the branches of study, the programmes, the number of corresponding credits, and the rules of procedure concerning the launching of courses in vocational higher education, as well as the attached free student benefits and the rules governing study contracts for off-site practical training outside the campus of the higher education institution,
8. the requirements related to the secondary school leaving examination required for admission, the subjects of the secondary school leaving examination, (foreign) language (requirements), the establishing of correspondences between the results of the applicants, the rules for the evaluation of applications, the principles of the calculation of extra points, the ranking of applicants and their assigning to higher education institutions, the mode of providing information regarding higher education admissions, including the publication of admission requirements and aptitude requirements at least two years before admission, the administrative fees payable in connection with admission procedures, their payment modes and the conditions for reimbursing such fees, the Bachelor programmes for which admission procedure includes a practical examination or a health test, and the conditions under which higher education institutions can organize oral entrance examinations,
9. the conditions of the admission procedure that ensure equal opportunities
- a) for disadvantaged student (applicant) groups,
 - b) for those on unpaid leave for childcare purposes, or in receipt of pregnancy- maternity benefits, childcare allowance, child-rearing allowance or childcare benefits,
 - c) for applicants with disabilities,
 - d) for applicants that are members of national minorities
10. in order to promote equal opportunities for students, the requirements for preferential treatment; the rules of organization of the mentoring programme,
11. the rules pertaining to the establishment and attestation of disability and the principles governing the studies of disabled students, the criteria for preferential treatment and the relevant rules of procedure,
12. the rules governing support provided to gifted students, especially:
- a) the national system of academic student workshop activities,
 - b) the principles of the organization of study circles,
 - c) the support system designed to promote support for gifted students,

- d) the principles of the support system of higher education institutions for gifted students,
- 13. the rules on access to student bursaries, support and other benefits,
- 14. the rules and institutional framework for providing housing facilities and welfare services to students,
- 15. the general rules of credit-based education, especially:
 - a) the manner of providing information related to studies,
 - b) the framework of educational progress and the minimum compulsory credit number,
 - c) the rules governing the documentation and registration of credits and study performance,
 - d) the periods of study and their schedule,
 - e) the principles and manner of the evaluation of student performance,
 - f) the principles and manner of providing support to students with disabilities and the methods of ensuring equal opportunities and equal access for all,
 - g) the rules governing the organization and evaluation of final examinations,
- 16. the rules of conferring doctorate degrees with honours,
- 17. the rules concerning employment, benefits, the system of calls for tender related to employment and executive assignments, the rules on conflicts of interest, the conditions on creating and staffing researcher positions, and the rules pertaining to the status and salary of employees in teaching positions,
- 18. the procedures and the rules of operation and supervision of the body or bodies managing the register of higher education institutions,
- 19. issues related to the setting up, operation and powers of the Hungarian Accreditation Committee and the setting up and operation of the Higher Education Planning Board,
- 20. the issues relating to the funding and management of higher education institutions and matters pertaining to the management of private institutions,
- 21. the establishment of academic scholarships and the conditions for awarding them, especially the awarding rules and conditions of the Scholarship of the Republic of Hungary, the bursary for equal opportunities and the Bursa Hungarica Local Government Bursary for Higher Education,
- 22. the conditions of the use of teacher study bursaries, and the programmes and eligible equivalent programme pairs in Bachelor and Master level courses and the single cycle long programme in teacher education, and the general rules of the specialization system of Master level education,
- 23. the compulsory content elements of student grant contracts, the procedure to follow if the contract is not executed, and the yearly costs of education in a programme for students with a (partial) state bursary,
- 24. the rules for the categorization of qualifications certified by diploma and professional qualification as per the Hungarian Qualifications Framework,
- 25. the rules of the habilitation procedure,
- 26. the titles that can be awarded to former lecturers and part-time lecturers of higher education institutions, and the conditions of awarding such titles,
- 27. the general rules governing the setting up, powers and operation of the financial board.
- (2) The Government is hereby authorized to appoint by decree:
 - a) the body managing the register of higher education institutions,
 - b) the body responsible for the operation of higher education information system,
 - c) the Authority responsible for the registration of student grant contracts.
- (3) The Minister is hereby authorized to regulate by decree:
 - a) the duties and rules of operation of the Office of the Commissioner for Educational Rights,
 - b) the programme and outcome requirements in vocational higher education and Bachelor and Master programmes,
 - c) the general rules on the organisation of postgraduate specialist programmes.

d) the administrative service fees related state accredited foreign language examinations and the operation of the higher education information system, their sums, and the procedural fees paid to higher education authorities and their sums.

(4) The minister shall exercise the regulatory powers laid out in (3) d) in agreement with the minister responsible for tax policy.

CHAPTER XXXII

TRANSITIONAL PROVISIONS

69. Transitional Provisions on the Conditions of Educational Activities

Section 111

(1) The admission system laid out in this Act shall be first applied to the general admission procedure for the 2013/2014 academic year. The language requirements required for taking admission tests defined in Section 40 (2) of this Act shall be applied to those starting the first year of their Bachelor or single-cycle long studies in September 2016, and successive academic years. The common oral entrance examination requirements prescribed in Section 40 (3) b) shall be determined by higher education institutions by 31 December 2012. Oral admissions tests based on said common oral admission test requirements may first be organized as part of the general admission testing for the 2014/2015 academic year.

(2) Regarding curricula that were not modified or reviewed in the five years preceding the entry into force of this Act, the time period set in Section 15 shall expire on 31 December 2012. Regarding curricula that were modified or reviewed in the five years preceding the entry into force of this Act, the time period set in Section 15 shall start on 1 September 2012.

(3) If a programme offered in separate cycles can be organized as a single-cycle long programme in the future, higher education institutions with a permit for starting new programmes can initiate starting a single-cycle long programme in the given Bachelor programme and the Master programme launched with the acceptance of the entire Bachelor programme, while observing the rules laid down in Government Decree.

(4) No students may be admitted after September 2012 to the first year of courses registered/launched based on Section 106 (7) Act CXXXIX of 2005 on Higher Education (hereinafter referred to as the 2005 Act on National Higher Education). Courses started earlier may be finished under unchanged conditions in the 2016/2017 academic year at the latest.

(6) Student grant contracts based on Sections 39 (3) and 46 (1) of this Act – with the content determined by the Government – may first be signed before enrolment to the first year in the 2012/2013 academic year.

(7) The content of student grant contracts concluded pursuant to sections 39 (3) and 46 (1) prior to the entry into force of this Act can only be amended with conditions more favourable for the student.

Section 112

(1) Courses started under the LXXX Act of 1993 on Higher Education shall be completed – in a continuous manner – without modification of the programme requirements, the examination rules or the diplomas issued.

(2) Courses launched under the 2005 Act on National Higher Education shall be completed – in a continuous manner – without modification of the programme requirements, the examination rules or the diplomas or certificates issued.

Pursuant to the 2005 Act on National Higher Education, the body responsible for the operation of the higher education information system may manage personal data registered in the higher education information system – unless otherwise required by this Act – until the deadline set in Section 35 (4) of the 2005 Act on National Higher Education.

(3) The provisions in Section 67 (5) of this Act shall be applied to off-site Bachelor and Master programmes in progress on 1 January 2010 in the following manner: the students already admitted to the course may complete their studies in the higher education institution under unchanged conditions, but no new students may be admitted to the off-site course.

(4) Students who started their higher education studies before 1 September 2006 may complete such studies in line with the former degree requirements on the basis of the curricular requirements adopted by the respective higher education institutions, and pursuant to the provisions of the 1993 Act on National Higher Education, they shall be awarded a diploma with college degree or a diploma with university degree. The period of study available to students and the disruption and temporary termination of studies shall be determined in accordance with the provisions in effect at the time of establishment of student status. Higher education institutions may derogate from these measures from 1 September 2015.

(5) Students who started their studies before 1 September 2006, but – having regard to the transitional rules established in the academic and examination regulations – have not completed such studies under the provisions of the 1993 Act on National Higher Education, may continue their studies in accordance with the provisions of this Act, subject to the validation system of studies and examinations.

(6) Where any law provides for a diploma with college degree and professional qualification, it shall be read to also mean a Bachelor degree and professional qualification. Where any law provides for a Bachelor degree and professional qualification, it shall be read to also mean a diploma with college degree and professional qualification.

(7) Where any law provides for a diploma with university degree and professional qualification, it shall be read to also mean a Master degree and professional qualification. Where any law provides for a Master degree and professional qualification, it shall be read to also mean a diploma with university degree and professional qualification.

(8) Holders of a diploma with college degree and professional qualification shall be entitled to enrol for graduate courses provided in accordance with this Act. Holders of a diploma with college or university degree and professional qualification may enrol for postgraduate specialist programmes launched pursuant to this Act.

Section 113

(1) The conferral of the diploma shall only be subject to a language examination certificate pursuant to the provisions of the 1993 Act on National Higher Education if it was so stipulated when the programme was launched.

(2) Following the entry into force of this Act, persons who can certify that they obtained a diploma in a higher education institution as self-financed students shall be eligible for study (partially) supported by state bursary. In respect of persons who obtained their diplomas or certificates in higher education after 1 January 2006, and wish to pursue further studies in higher education but cannot prove to have been enrolled in self-financed studies – in any study cycle – seven semesters shall be assumed to have been spent in state-funded studies. Students may furnish proof to the contrary prior to enrolment to challenge this assumption.

(3) The credit transfer committees of higher education institutions shall determine on the basis of Section 49 (5)-(6) the conditions under which certificates and diplomas issued pursuant to the provisions of the 1993 Act on National Higher Education can be validated in courses launched under this Act, and the number of credits such certificates and diplomas merit. The respective bodies of knowledge shall be compared, regardless of whether the student acquired his or her degree in credit-based education or non-credit-based education.

(4) Certificates acquired in vocational higher education pursuant to the provisions of the 2005 Act on National Higher Education shall be counted towards Bachelor programmes in the same field of study, representing no less than 30 and no more than 60 credits.

Within this framework, the credit transfer committees of higher education institutions shall determine on the basis of Section 49 (5)-(6) the conditions under which certificates can be validated in courses launched under this Act, and the number of credits such certificates and diplomas merit. Vocational higher education courses registered based on the Higher Education Act of 2005 may not be started after September 2012. Courses started earlier may be finished under unchanged conditions in the 2016/2017 academic year at the latest.

Section 114

(1) Where a PhD / DLA student enrolled for a doctoral programme pursuant to the provisions of the 2005 Act on National Higher Education, he or she may complete the studies in line with the prescribed requirements. Procedural issues pertaining to the doctoral programme and the degree award procedure shall be subject to the provisions of this Act. PhD / DLA students shall receive the degree defined in this Act. Doctoral degrees conferred pursuant to the 1993 and 2005 Acts on Higher Education shall be deemed equivalent to the doctoral degrees conferred pursuant to this Act.

(2) The measures regarding the fulfilment of the requirements of doctoral education in sentence three of Section 53 (2) of this Act shall be applied to the acceptance of applications for the doctoral degree award procedure after 1 September 2013 regarding the applicants in higher education institutions where the regulations on doctoral procedures adopted prior to 1 January 2010 does not require the fulfilment of the requirements of doctoral education in circumstances specified therein.

70. Organizational and Employment Measures

Section 115

(1) The procedural rules on the operation of higher education institutions contained in this Act shall be applied in cases started after 1 September 2012 and in repeated procedures.

(2) The educational authority

a) shall delete from its register on 1 January 2015 the higher education institutions that were entered into the register before 1 January 2010 and did not receive an operating permit,

b) shall delete from its register the higher education institutions entered into the register in the period between 2 January 2010 and the entry into force of this Act that did not receive an operating permit five years after the entry into the register, but no later than 1 September 2017,

c) shall review the operating permits of higher educations that possess a valid operating permit on 1 September 2012 by 1 September 2015, and amend said permits in accordance with this Act.

(3) If the composition of the senate of a higher education institution operating at the time of the entry into force of this Act does not meet the requirements laid down in this Act, the composition shall be adapted in accordance with this Act by 31 December 2012.

(4)

a) When this act enters into force, it will not affect the employment conditions of lecturers and researchers, the employment contracts signed with them, their civil servant appointments and the titles that were previously conferred with regards their employment in college and university. According to the Act of 1993 on Higher Education the lecturers and the researchers may continue to be employed after 1 September 2012. In this case the time restriction defined in section 31 (1)- (2) needs to be applied.

2) The employment and ranking of lecturers and researchers who signed their contract of employment according to the criteria defined in the Act of 1993 on Higher Education or in the section 157 (2) of the Act of 2005 on Higher Education – can only be amended when they meet the new requirements.

4 c) From 1 September the requirements to do teaching and research activities are set according to the present act.

4 d) Lecturers and academic researchers who got employed according to the criteria defined in the Act of 1993 on Higher Education but having met the new requirements meanwhile, should be ranked according to the employment criteria for university teachers independent of the type of higher education institution: university or college. In this case the employment criteria present in this act shall be applied to them with the exception of section 31 because the time spent as a lecturer shall be taken into account. When the time limit to meet the requirements is less than five years, with the amendment of the employment contract and the day of the signing of the civil servant nomination, the lecturer shall meet the prescribed requirements. The lecturer and research fellow shall fall under the same university lecturer payment grade as the one he was ranked in as a college lecturer but the time spent in that employment grade shall be recommenced.

4 e) Until 31 December 2018, in art higher education institutions, in accordance with employment requirements and the authorization of the institution, a Kossuth-prize and other artistic prizes awarded in a governmental decree or ministerial decree are equivalent to a Phd qualification, provided that the holder of the prize has at least a bachelor diploma. This regulation shall only be applicable to employment status of teaching staff commenced prior to 31 August 2012 in art higher education.

(5) With a view to the implementation of (4), higher education institutions – individually, or in cooperation with other higher education institutions or those with the right to found a higher education institution – shall adopt new four-year plan for institutional development. In the plan, institutions may propose to the maintainer the continuation of higher education activities in a different institutional framework. The representative of the maintainer shall be involved in the preparatory work. The plan for institutional development shall be sent to the maintainer no later than 30 June 2012.

(1).

(7) The educational authority shall review/amend the operation permit of institutions operating as higher education institutions with international status by 1 September 2017, and, if the operational conditions required by law are not fulfilled, initiate the revocation of state accreditation with the Minister.

(9) State higher education institution:

a) in case of provisions of high priority, the leader of the state higher education institution can carry out redistribution of costs within his scope when informing the Treasury and the maintainer.

b) The surplus of provisions remained at the end of the budgetary year – after the rightful settlement of accounts – shall be considered as surplus commitment appropriations, which can be used for institutional tasks.

c) Surplus income - with the permission of the head of the unit – can be used up after the amendment of the budget done within the scope of the governing unit.

(10) The higher education institution can establish incorporated companies or can have a share in an incorporated company to the debit of his balance by the treasury, b, the remnants defined in paragraph 9 b, and the dividend from economic organisations.

(11) The higher education institution can establish such institutional associations or can have a share in such associations, which do not hurt the interests of the higher education institution. Institutional associations cannot be established with the aim of doing the basic duties of the institution, with the exception of activities in connection to organisation.

(12) Those who have a leading position in the higher education institution and are the relatives of these leaders cannot be chief officers in institutional associations that the higher education institution has established or have a share in. Moreover, these officers cannot be the members of the Supervisory Board and cannot be accountants. The MNV Zrt is authorised to delegate a member into the Supervisory Board of the institutional company.

(13) In case of state higher education institutions, conditions concerning section 13 (2) shall be applied so that the minister responsible for public finance exercises the employment rights regarding the chief financial director.

Section 116

(1) The mandate of members of the Hungarian Accreditation Committee set up by the 2005 Act on National Higher Education shall be terminated on 29 February 2012.

Those empowered by this Act to do so shall delegate new members to the Hungarian Accreditation Committee by 15 February 2012. The Hungarian Accreditation Committee shall hold its inaugural meeting on 1 March 2012.

(2) The Higher Education and Research Council shall be dissolved and the mandate of its members terminated on 29 February 2012.

(3) The general legal successor of the Higher Education and Research Council shall be the Higher Education Planning Board.

(4) The Higher Education Planning Board shall be set up by 1 March 2012.

Section 117

(1) Senior executive mandates extended for the second time pursuant to Section 96 (5) and (10) of the 2005 Act on National Higher Education and senior executive mandates extending over 65 years of age shall terminate on 30 June 2013.

(2) Students' halls of residence registered in accordance with the provisions of the 2005 Act on National Higher Education and the data thereof managed by the information system, with the exception of students' halls of residence maintained by churches, religious legal entities and foundations supported based on an agreement with the Minister in force on 31 December 2011, shall be deleted from the records by the educational authority on 1 September 2013, and the educational authority shall also initiate the deletion from the higher education information system.

(3) Vocational higher education programmes involving student status and registered in accordance with the provisions of the 2005 Act on National Higher Education, and the data thereof managed by the information system shall be deleted from the records by the educational authority when the programmes terminate as the studies of the last students end – but on 1 September 2016 at the latest.

(4) Programmes registered in accordance with the provisions of Section 106 (7) of the 2005 Act on National Higher Education, and the data thereof managed by the information system shall be deleted from the records by the educational authority when the programmes terminate as the studies of the last students end – but on 1 September 2017 at the latest – and the educational authority shall also initiate the deletion from the higher education information system.

(5) State accredited higher education institutions maintained by an organization operating as a church on 31 December 2011 may continue to offer religious studies, and can continue to operate under unchanged conditions and state support.

(6) The personal data registered in accordance with paragraphs 1. ah) and 1. ai) of Part II/C of Annex 2 of the 2005 Act on National Higher Education may remain registered for five years after the termination of student status after the entry into force of this Act.

(7) The funding system laid down in Section 84 of this Act shall first apply to the budget of the year 2013.

71. Compliance with the Acquis

Section 118

This Act serves the purpose of partial compliance with the following legislation of the Communities:

- a) Council Directive 2003/109/EC of 25 November 2003 concerning the status of third-country nationals who are long-term residents, Article 11 (1) b) and Article 21;
- b) Directive 2004/38/EC of the European Parliament and of the Council of 29 April 2004 on the right of citizens of the Union and their family members to move and reside freely within the territory of the Member States amending Regulation (EEC) Nr. 1612/68 and repealing Directives 64/221/EEC, 68/360/EEC, 79/194/EEC, 73/148/EEC, 75/34/EEC, 75/35/EEC, 90/364/EEC, 90/365/EEC and 93/96/EEC, Article 24;
- c) Council Directive 2009/50/EC of 25 May 2009 on the conditions of entry and residence of third-country nationals for the purposes of highly qualified employment, Article 14 (1) c).

CHAPTER XXXIII

AMENDING PROVISIONS

Section 119

Section 16 (1) i) of Act LXXX of 1997 on the Eligibility for Social Security Benefits and Private Pensions and the Funding for These Services shall be replaced by the following provision: *[In addition to the persons insured under this Act and persons eligible for health services under Section 13,*

health services are also available to:] "i) Hungarian citizens of legal age attending primary or secondary schools and institutions governed under the Public Education Act or institutions of higher education governed under the Higher Education Act, pursuing a full-time course of study, as well as foreign nationals under scholarship or student relationship under a scholarship provided on the basis of an international agreement or by the minister in charge of education, and persons under the scope of the Act on the Ethnic Hungarian Population of Neighbouring Countries who are not Hungarian citizens and who have student status while pursuing a full-time course of study financed by the state or (partially) supported by state bursary in higher education institutions governed under the Higher Education Act;".

Section 120

(1) The following provisions shall be repealed:

1. Section 9 of Act LXII of 2001 on Hungarians Living in Neighbouring Countries.
2. Act CXXXIX of 2005 on Higher Education,
- 3.

a) Act LXXIII of 2006,

b) Act CIV of 2007,

c) Act XCVII of 2008,

d) Act CXXXVIII of 2009

on the amendment of Act CXXXIX of 2005 on Higher Education,

4. Section 33 of Act LII of 2010 on the Amendment of the Laws in Order to Provide for the Responsible Management of State Property and on the Establishment of Certain Provisions,

5. Section 72 f) of Act LVIII of 2010 on the Legal Status of Government Officers,

6. Act LXXII of 2010 on the Amendment of Certain Rules of Secondary School Leaving Examination and Admission to Higher Education Institutions,

7. Section 64, Section 66 (1) f), and the following text in Section 66 (2) of Act XC of 2010 on Creating and Amending Certain Acts Relating to Economic and Financial Affairs: “the text ‘and additional’ in Section 16 (1), the last sentence of Section 23 (2), the last sentence of Section 30 (1), the following text: ‘through its actions which do not require state contribution’ in Section 115 (2) b), the last sentence of Section 135 (2) and the text ‘and in Section 100 (1)’ in Section 136 (6) of the Act on National Higher Education”.

(2) Sections 109-113 of Act CXXXIX of 2005 on Higher Education and the texts “the Hungarian Accreditation Committee, the Higher Education and Research Council, and” and “Section 110 (8), and Section 113 (8)” in Section 153 (1) 19) of the same Act are repealed.

(3) Section 36 (5) of Act CLXVI of 2011 on the Amendment of Certain Legal Regulations Serving as a Basis for Hungary’s Budget for 2012 shall not enter into effect.

(4) The following paragraph 48 is added to Section 121 (1) of Act LXXIX of 1993 on Public Education:

[For the purposes of this Act]

“48. Institutions entitled to carry out local governments’ tasks: local governments’ tasks shall be carried out by educational-teaching institutions maintained by local authorities, local governments’ associations or multi-purpose micro-regional partnerships and educational-teaching institutions not maintained by the state or local governments – excluding educational-teaching institutions maintained by a national minority government that are being taken over by the national minority government pursuant to Section 47 (4) of Act LXXVII of 1993 on the Rights of National and Ethnic Minorities during the transfer – that contribute to carrying out the mandatory tasks of the local government under a public educational agreement specified in Section 81 (1) e) or, in the case specified in Section 81 (11), the maintainer of which has sent a unilateral statement to the local self-government, or has come to a public educational agreement with the Minister responsible for education.”

(Signed) Dr. Pál Schmitt, László Kövér,

President of the Republic of Hungary, Speaker of the Hungarian National Assembly

Annex 1 to Act CCIV of 2011

State Recognised Higher Education Institutions of the Republic of Hungary

I. Universities

I/A. State Universities

Budapesti Corvinus Egyetem, Budapest

Corvinus University of Budapest

Budapesti Műszaki és Gazdaságtudományi Egyetem, Budapest

Budapest University of Technology and Economics

Debreceni Egyetem, Debrecen

University of Debrecen

Eötvös Loránd Tudományegyetem, Budapest

Eötvös Loránd University, Budapest

Kaposvári Egyetem, Kaposvár
University of Kaposvár

Liszt Ferenc Zeneművészeti Egyetem, Budapest
Liszt Ferenc Academy of Music (University), Budapest

Magyar Képzőművészeti Egyetem, Budapest
Hungarian Academy of Fine Arts, Budapest

Miskolci Egyetem, Miskolc
University of Miskolc

Moholy-Nagy Művészeti Egyetem, Budapest
Moholy-Nagy University of Art and Design, Budapest

Nemzeti Közszolgálati Egyetem, Budapest
National University of Civil Service, Budapest

Nyugat-magyarországi Egyetem, Sopron
University of West Hungary, Sopron

Óbudai Egyetem, Budapest
Óbuda University, Budapest

Pannon Egyetem, Veszprém
Pannon University, Veszprém

Pécsi Tudományegyetem, Pécs
University of Pécs

Semmelweis Egyetem, Budapest
Semmelweis University, Budapest

Szegedi Tudományegyetem, Szeged
University of Szeged

Szent István Egyetem, Gödöllő
Szent István University, Gödöllő

Széchenyi István Egyetem, Győr
Széchenyi István University, Győr

Színház- és Filmművészeti Egyetem, Budapest
University of Drama and Film, Budapest

I/B. Church Universities

Debreceni Református Hittudományi Egyetem, Debrecen
Debrecen University of Reformed Theology

Evangelikus Hittudományi Egyetem, Budapest
Evangelical-Lutheran Theological University, Budapest

Károli Gáspár Református Egyetem, Budapest
Károli Gáspár University of the Reformed Church, Budapest

Országos Rabbiképző – Zsidó Egyetem, Budapest
Jewish Theological Seminary – University of Jewish Studies, Budapest

Pázmány Péter Katolikus Egyetem, Budapest
Pázmány Péter Catholic University, Budapest

I/C. Private Universities

Andrássy Gyula Budapesti Német Nyelvű Egyetem, Budapest
Andrássy Gyula University, Budapest

Közép-európai Egyetem, Budapest
Central European University, Budapest

II. Colleges

II/A. State Colleges

Budapesti Gazdasági Főiskola, Budapest
Budapest Business School

Dunaújvárosi Főiskola, Dunaújváros
College of Dunaújváros
 Eötvös József Főiskola, Baja
Eötvös József College, Baja
 Eszterházy Károly Főiskola, Eger
Eszterházy Károly College, Eger
 Károly Róbert Főiskola, Gyöngyös
Károly Róbert College, Gyöngyös
 Kecskeméti Főiskola, Kecskemét
Kecskemét College
 Magyar Táncművészeti Főiskola, Budapest
Hungarian Dance Academy, Budapest
 Nyíregyházi Főiskola, Nyíregyháza
College of Nyíregyháza
 Szolnoki Főiskola, Szolnok
College of Szolnok
 II/B. Church colleges
 A Tan Kapuja Buddhista Főiskola, Budapest
Dharma Gate Buddhist College, Budapest
 Adventista Teológiai Főiskola, Pécel
Adventist Theological College, Pécel
 Apor Vilmos Katolikus Főiskola, Vác
Apor Vilmos Catholic College, Vác
 Baptista Teológiai Akadémia, Budapest
Baptist Theological Academy, Budapest
 Bhaktivedanta Hittudományi Főiskola, Budapest
Bhaktivedanta College, Budapest
 Egri Hittudományi Főiskola, Eger
Theological College of Eger
 Esztergomi Hittudományi Főiskola, Esztergom
Theological College of Esztergom
 Gál Ferenc Főiskola, Szeged
Gál Ferenc College
 Golgota Teológiai Főiskola, Vajta
Calvary Chapel Bible College Europe, Vajta
 Győri Hittudományi Főiskola, Győr
Theological College of Győr
 Pápai Református Teológiai Akadémia, Pápa
Pápa Theological Academy of the Reformed Church
 Pécsi Püspöki Hittudományi Főiskola, Pécs
Theological College of Pécs
 Pünkösdi Teológiai Főiskola, Budapest
Pentecostal Theological College, Budapest
 Sapientia Szerzetesi Hittudományi Főiskola, Budapest
Sapientia School of Theology, Budapest
 Sárospataki Református Teológiai Akadémia, Sárospatak
Sárospatak Theological Academy of the Reformed Church
 Sola Scriptura Teológiai Főiskola, Budapest
Sola Scriptura College of Theology, Budapest
 Szent Atanáz Görög Katolikus Hittudományi Főiskola, Nyíregyháza

Szent Atanáz Greek-Catholic Theological Institute, Nyíregyháza
 Szent Bernát Hittudományi Főiskola, Zirc
Szent Bernát Theological College, Zirc
 Szent Pál Akadémia, Budapest
Szent Pál Academy, Budapest
 Veszprémi Érseki Hittudományi Főiskola, Veszprém
Archiepiscopal Theological College of Veszprém
 Wesley János Lelkészképző Főiskola, Budapest
John Wesley Theological College, Budapest
 II/C. Private Colleges
 Általános Vállalkozási Főiskola, Budapest
Budapest College of Management
 Budapest Kortárstánc Főiskola, Budapest
Budapest Contemporary Dance Academy
 Budapesti Kommunikációs és Üzleti Főiskola, Budapest
Budapest School of Communication and Business
 Edutus Főiskola, Budapest
Edutus College, Budapest
 Gábor Dénes Főiskola, Budapest
Gábor Dénes College, Budapest
 IBS Nemzetközi Üzleti Főiskola, Budapest
International Business School, Budapest
 Kodolányi János Főiskola, Székesfehérvár
Kodolányi János University College, Székesfehérvár
 Mozgássérültek Pető András Nevelőképző és Nevelőintézete, Budapest
International Pető András Institute of Conductive Education for the Motor Disabled and Conductor-Teacher Training College, Budapest
 Tomori Pál Főiskola, Kalocsa
Tomori Pál College, Kalocsa
 Wekerle Sándor Üzleti Főiskola, Budapest
Wekerle Sándor Business College, Budapest
 Zsigmond Király Főiskola, Budapest
King Sigismund College, Budapest

Annex 2 to Act CCIV of 2011

The operating license, mandatory elements of certain institutional documents

I. Establishment of higher education institutions

1. The founding charter shall contain:

1.1.

- a) the official name of the higher education institution,
- b) the name and address of the maintainer,
- c) the address of the registered seat and any other establishments,
- d) the address where the institution provides off-site education,
- e) the faculties' structure and the organisational structure of the institution, the institutions maintained by the higher education institution,
- f) its core activities and other tasks relating to its core activity,
- g) the specification of entrepreneurial activity, and, if it operates as a budgetary organisation, the upper limit,

h) the tasks it undertakes in the field of general education, public collections, healthcare, agricultural and regional development as well as other duties,

i) the maximum number of students,

j) the immovable properties at the disposal of the institution, the right of administration of assets,

1.2. fields of study, disciplines, and academic levels where the higher education institution offers programmes or is authorised to provide programmes.

2. While observing 1, the operating license specifies:

a) the fields of study, disciplines of science and academic levels at which the higher education institution is authorised to provide programmes,

b) the maximum number of students for whom the higher education institution may grant student status considering all years of instruction and assuming full utilisation of facilities, , taking into account the staff, the premises and facilities available for students and for providing instruction,

c) permission of programmes that the higher education institution can launch,

d) the disciplines and branches of science in which the higher education institute may provide doctorate programmes.

e) public education institution ranked as school for teaching practice

II. The organisation and operational manual

1. Rules of operation and organisation

The rules of operation and organisation shall especially specify the organisational structure of the higher education institution, its divisions, the management structure, the tasks and operation of each organisational unit, the rules pertaining to intra-institutional liaising.

2. Employment requirements

The employment requirements shall especially specify:

a) the requirements of filling a specific position, the rules for assessing applications submitted to public calls, the institutional scholarships available to lecturers and researchers as well as conditions pertaining to other grants, as well as the rules of the related calls for applications – as prescribed by a government decree –, and the rules and requirements regarding the habilitation procedure,

b) conditions of conferring appointment and other titles the higher education institution may award,

c) the requirements pertaining to the employment and the performance of lecturers, researchers and other staff, the principles for determining salaries on the basis of quality and performance, the evaluation of the fulfilment of the requirements and the publicity related to the evaluation procedure, the consequences of non-compliance with the requirements,

d) the rules pertaining to the assessment of applications for research funds for lecturers and researchers,

e) the participation of lecturers in the decision-making procedure of the higher education institution, and the rules concerning the revision of appeals filed by lecturers, researchers and other staff against institutional decisions.

3. Student requirements

The requirements for students shall specifically define:

a) the rules of the admission procedure within the confines of this Act,

b) the rules concerning the exercise of students' rights and the fulfilment of students' obligations, the rules pertaining to the consideration of applications lodged in respect of student status as well as the remedy,

c) the programme schedule and the rules pertaining to the acquisition, development and the assessment of knowledge, skills, and abilities ('academic and examination regulations'),

- d) the rules pertaining to the establishment of the fee charged to the student and the payment thereof, as well as the rules for the allocation of student grants and benefits ('regulations concerning fees and grants'),
- e) the rules pertaining to the consideration of disciplinary penalties and compensations pertaining to students,
- f) the regulations concerning the prevention of accidents affecting students and the provisions applying to accidents.

Annex 3 to Act CCIV of 2011

I. Personal and Special Data Registered and Managed by Higher Education Institutions

I/A. Data pertaining to employees

1. Data registered pursuant to this Act:

- a) name, gender, name at birth, place and date of birth, mother's name, nationality, identification number;
- b) permanent address and residence; registered address
- c) data pertaining to employment, public servant status, fixed-term employment:
 - ca) name of employer – if more than one, all shall be named, indicating where additional work-related relationship is established,
 - cb) level of qualification, professional qualifications, vocational qualifications, command of languages, scientific degree,
 - cc) time spent in employment, time that can be counted as public servant status, data pertaining to payroll status,
 - cd) honours, awards and other recognition awards, titles,
 - ce) position, executive assignment, assignment for tasks not specified for position, additional work-related relationships, disciplinary sanctions, orders to pay damages,
 - cf) hours of work, hours of overtime, wage, salary, and any related dues and its beneficiary,
 - cg) leave, leave taken,
 - ch) disbursements made to the employee and their title,
 - ci) benefits granted to the employee and their title,
 - cj) debts of employee owed to employer and their title,
 - ck) research activities, scientific work, artistic activities, their results, data pertaining to participation in the doctorate course and the doctoral degree award procedure as instructor, researcher,
 - cl) declaration made pursuant to Section 26 (3),
 - cm) data proving the fulfilment of requirements specified in Section 25 (4) for fixed-term employment established by the higher education institution as an employer related to the president or a member of the financial board,
- d) results of lecturer evaluation by students;
- e) results of the habilitation procedure;
- f) identification data pertaining to the documents supplied in evidence of data.

2. Purpose of data management: pursuant to 18 (1). The higher education institution may manage the personal and special data exclusively with respect to employment, the establishment and fulfilment of benefits, allowances, and commitments, for reasons of national security, for the purpose of managing records specified in this Act, in a manner proportionate to such purposes and strictly for such purposes.

3. Duration of data management: five years from the termination of employment.

4. Conditions of data transmission:

The data listed under point 1 – with the exception of data under point 1 cm) – may be forwarded: to the maintainer all data as necessitated by the exercise of maintainer's rights; to the social security payment office or any other payment office disbursing salary and wages or other benefits all data that are necessary for establishing eligibility for and disbursing the salary, wage or other benefits; to the body in charge of the operation of the higher education information system all data that the information system of higher education may handle pursuant to this Act; to the Hungarian Accreditation Committee all data that are necessary for ascertaining the existence of the conditions requisite to the operation of the higher education institution; to the court, the police, the public prosecutor's office, the bailiff, the public administration body the data required for judging the specific case; to those authorised to monitor compliance with the provisions on work the data related to employment; to the national security service all data; to students or persons in work-related relationship with the higher education institution the results of lecturer evaluation by students in the manner defined in the institutional bylaws; and pursuant to Section 28 of Act CXII of 2011 on Informational Self-Determination and Freedom of Information (hereinafter the Self-Determination and Freedom of Information Act) to applicants submitting a demand for accessing data to a higher education institution all data qualified as data of public interest in Section 26 (3) of the Self-Determination and Freedom of Information Act.

5. In the case of members of the financial board Section 25 (5)-(8) shall apply accordingly to prove those stated in point cm) and concerning rules of data management.

I/B. Data pertaining to students

1. Data registered pursuant to this Act:

a) data pertaining to admission:

aa) applicant's name, gender, name at birth, mother's name, place and date of birth, nationality, permanent address, residence and phone number, in the case of non-Hungarian nationals the legal grounds for stay in the territory of the Republic of Hungary and the designation and number of the document entitling the holder thereto and, in the case of persons entitled to the right to free movement and residence as set forth in a separate act, the designation and number of the document proving the right of residence,

ab) data pertaining to the secondary school leaving examination,

ac) data pertaining to the secondary school,

ad) data necessary for assessment of the application for admission,

ae) data pertaining to the admission procedure;

b) data pertaining to student status (PhD / DLA candidate status):

ba) the student's name, name at birth, mother's name, place and date of birth, nationality, registered address and residence, mailing address and phone number, electronic mail address, in the case of non- Hungarian nationals the legal grounds for stay in the territory of the Republic of Hungary and the designation and number of the document entitling the holder thereto and, in the case of persons entitled to the right to free movement and residence as set forth in a separate act, the designation and number of the document proving the right of residence,

bb) type of student status (PhD / DLA candidate, visiting student), date and manner of the establishment and cessation of student status, name of course attended by the student indicating if it is state-funded, its training schedule, expected ending date of the course, evaluation of the studies of the student, data pertaining to examinations, semesters the student enrolled for, state-funded period used, time of temporary termination of student status,

bc) time and place of studies abroad,

bd) credits accrued and validated, validated studies,

be) data pertaining to student bursaries, data necessary for establishing eligibility for bursaries (social situation, data pertaining to parents, data pertaining to maintenance),

- bf) data pertaining to the student's employment,
 - bg) data pertaining to disciplinary and compensation issues,
 - bh) data necessary for assessment of applications for special treatment of disabled students,
 - bi) data pertaining to student accidents,
 - bj) serial number of the student pass, identification number of the master file,
 - bk) identification number and social security number of the student,
 - bl) data pertaining to completion of practical courses, pre-degree certificate, final examination (doctoral defence), language examination, and data pertaining to the diploma
 - bm) data necessary for the exercising of rights and fulfilment of obligations deriving from student status;
 - c) data related to student career monitoring;
 - d) the student tax identification code;
 - e) identification data pertaining to the documents supplied in evidence of data;
 - f) data pertaining to the fees paid by the student;
 - g) for those receiving student support, child care support, child care allowance, regular child protection benefit, accommodation grant the data thereof.
2. Purpose of data management: pursuant to Section 18 (1). The higher education institution may manage the personal and special data exclusively with respect to student status, the establishment and fulfilment of benefits, allowances, and commitments, for reasons of national security, and for the purpose of managing records specified in this Act, in a manner proportionate to such purposes and strictly for such purposes.
3. Duration of data management: eighty years from the notification of the termination of student status.
4. Conditions of data transmission: The data may be forwarded: to the maintainer all data as necessitated by the exercise of maintainer's rights; to the court, the police, the public prosecutor's office, the bailiff, the public administration body the data required for judging the specific case; to the national security service all data; to the body in charge of the operation of the information system all data; to the Student Loan Center data related to the lawful disbursement of student loans and the continuation of studies.

II. Personal and special data registered and managed by the higher education information system

II/A. Master data pertaining to higher education institutions

Data registered pursuant to this Act:

- a) concerning higher education institutions:
 - aa) the name of the maintainer, the address of its seat, name of its representative, mailing address, contact (phone number, fax, electronic mail address),
 - ab) the name, mailing address, contact details (phone number, fax, electronic mail address) of the officers of the higher education institution (rector, financial director-general or director, head of the internal audit, president and members of the financial board, president and members of the executive board, president of the preparatory board – temporary head of institution – and its members, heads of the faculties, head of the body performing administrative tasks, head of the centre, head of the dormitory, head of the college),
 - ac) the cooperation agreement concluded by the higher education institution in the scope of its core activity and the data indicated in the agreement,
 - ad) name and lecturer identification number of the person professionally liable for higher education trainings,
 - ae) in case the institution operates as a public benefit organization the name and mailing address of the members of the supervisory board;

b) concerning foreign higher education institutions operating in Hungary:

ba) the name of the maintainer, the address of its seat, the name, mailing address and contacts (phone number, fax, electronic mail address) of its representative and its representative in Hungary,

bb) name, mailing address and contacts (phone number, fax, electronic mail address) of its officers,

bc) the name and lecturer identification number of the person professionally liable for the higher education training;

c) concerning the Hungarian Accreditation Committee, the Higher Education Planning Board, the Hungarian Rectors' Conference and the National Union of Students in Hungary:

ca) the name and seat of the organisation,

cb) the name and mailing address of the senior executive and the members of the supervisory board,

d) concerning the students' hall of residence as defined in 67 (3) f):

da) the name of the maintainer, its seat and address, the name, mailing address and contacts (phone number, fax, electronic mail address) of its representative,

db) the name, mailing address and contacts (phone number, fax, electronic mail address) of its head,

e) the agreement as defined in Section 8 (6) and the data indicated in the agreement.

II/B. Master data pertaining to employees

1. Data registered pursuant to this Act:

a) name, gender, name at birth, place and date of birth, mother's name, nationality, identification number;

b) address and mailing address; registered address;

c) data pertaining to employment, public servant status, fixed-term employment:

ca) name of employer – if more than one, all shall be named (institution identification number),

cb) level of qualification, professional qualifications, vocational qualifications, command of languages, scientific degree,

cc) position, executive assignment,

cd) hours of work,

ce) research activities, scientific work, artistic activities, their results, honours, awards and other recognition awards, titles,

cf) declaration made pursuant to Section 26 (3);

d) identification data pertaining to the documents supplied in evidence of data.

2. The registration of any personal and special data not listed under point 1 shall be subject to the written consent of the person concerned.

3. The data listed under point 1 may be forwarded: to the social security payment office or any other payment office disbursing salary and wages or other benefits all data that are necessary for establishing eligibility for and disbursing the salary, wage or other benefits; to the court, the police, the public prosecutor's office, the bailiff, the public administration body the data required for judging the specific case; to the national security service all data; to the higher education institution all data pertaining to its employee, and in order to ensure that a person has only got one identification number to the public education information system the data pursuant to 1 a) and b).

II/C. Master data pertaining to students, PhD / DLA candidates

1. Data registered pursuant to this Act:

a) data related to student status (PhD / DLA candidate status):

aa) the name of the student (PhD / DLA candidate), name at birth, mother's name, place and date of birth, nationality, gender, address, residence, mailing address,

- ab) in the case of non-Hungarian nationals the legal grounds for stay in the territory of the Republic of Hungary and the designation and number of the document entitling the holder thereto and, in the case of persons entitled to the right to free movement and residence as set forth in a separate Act, of the document proving the right of residence,
- ac) type of student status, date and manner of the establishment and cessation of student status,
- ad) name of course attended by the student, type of funding, its training schedule, semesters the student enrolled for, time of temporary termination of student status, expected ending date of the course,
- ae) state-funded period used during and preceding the course,
- af) place and time of periods of studies in foreign higher education institutions,
- ag) data pertaining to the fulfilment of the requirements of preferential treatment,
- ah) data necessary for assessment of applications for special treatment of disabled students,
- ai) data pertaining to student accidents,
- aj) serial number of the student identity pass,
- ak) identification number of the master file,
- al) identification number, tax identification code and social security number of the student,
- am) data pertaining to completion of practical courses, pre-degree certificate, final examination (doctoral defence), language examination, and data pertaining to previously obtained diploma,
- an) data pertaining to the content of documents issued and identification data pertaining to the documents,
- ao) data pertaining to scholarships awarded to non-Hungarian nationals by the Minister,
- ap) credits accrued during the training and validated credits;
- b) data pertaining to the diploma, certificate issued,
- ba) verified vocational skills and professional qualifications,
- bb) date of diploma, certificate, names of signatories,
- bc) serial number of the form necessary for the issuing of the diploma, certificate,
- bd) student number in the master files,
- be) other data pertaining to the diploma, certificate,
- bf) data pertaining to the diploma supplement;
- c) data related to student career monitoring;
- d) identification data pertaining to the documents supplied in evidence of data;
- e) data pertaining to the fees paid by the student;
- f) for those receiving student support, child care support, child care allowance, regular child protection benefit, accommodation grant the data thereof.

2. The registration of any personal and special data not listed under point 1 shall be subject to the written consent of the person concerned.

3. The data may be forwarded: to the court, the police, the public prosecutor's office, the bailiff, the public administration body the data required for judging the specific case; to the national security service all data; to the Student Loan Center data related to the lawful disbursement of student loans and the continuation of studies; to the social security authority the data establishing eligibility for social security benefits; to the higher education institution all data pertaining to persons applying for admission and holding student status (PhD / DLA candidate status) with the institution; to the higher education institution all data pertaining to persons admitted to the institution, to the public education information system all data pertaining to persons holding a student status and in order to guarantee the lawful completion of the provisions of Section 35 (4) data pursuant to 1 aa), to the ministry directed by the Minister all data necessary for data disclosure for statistical purposes.

II/D. Master data pertaining to admission

1. Data registered pursuant to this Act:

a) data related to admission:

aa) applicant's name, name at birth, mother's name, place and date of birth, gender, nationality, address and residence, mailing address; in the case of non-Hungarian nationals the legal grounds for stay in the territory of the Republic of Hungary and the designation and number of the document entitling the holder thereto and, in the case of persons entitled to the right to free movement and residence as set forth in a separate act, the designation and number of the document proving the right of residence,

ab) data pertaining to the secondary school leaving examination,

ac) data pertaining to the secondary school,

ad) data necessary for assessment of the application for admission,

ae) data pertaining to the admission procedure.

2. Personal data pertaining to religious or ideological conviction, the attestation thereof as a precondition of admission shall not be registered. The registration of other data shall be subject to the consent of the person concerned.

3. The data may be forwarded: to the court, the police, the public prosecutor's office, the bailiff, the public administration body the data required for judging the specific case; to the national security service all data; to the higher education institution all data pertaining to the person applying for admission; to the higher education institution all data pertaining to persons admitted.

III. Questions concerning data management and data transmission related to the operation of the higher education information system

1. Unless otherwise provided by law, personal data may only be supplied from the higher education information system upon the request of the person concerned and is subject to his/her written consent thereto, and simultaneous notification of such persons must be carried out. The Minister shall be responsible for the lawfulness of data management performed in the higher education information system. In respect of one's own data, the person concerned shall be entitled to review such data and request the correction or – except for the management of statutory data – the deletion thereof. The review, correction and deletion of data contained in the information system shall in all cases be free of charge.

2. The body in charge of the operation of the higher education information system may request natural personal identification data and address pertaining to persons registered in the higher education information system from the the personal data and address register for the purposes of identification, by electric means and free of charge.

3. The body in charge of the operation of the higher education information system shall issue a lecturer identification number to the persons employed as lecturers, researchers, or instructors. The lecturer identification number shall serve for the monitoring of employment as instructors, lecturers or researchers. The higher education information system shall keep records of the holders of such identification numbers, and of the persons executing lecturer's tasks in fixed-term employment as defined in Section 25 (3). Except for the persons concerned, personal data may only be transferred from the records for the lawful establishment of entitlement to certain benefits associated with employment, to the party providing the benefits or authorised to carry out the assessment of eligibility. Data may be kept in the information system for five years from the notification of the termination of employment except when during this period the person concerned is reregistered in the records.

4. The body in charge of the operation of the higher education information system shall issue a student identification number to students. The student identification number shall serve for

the monitoring of the enforcement of rights and the fulfilment of obligations arising in connection with student status. Students having received a student identification number for public education shall not be required to be issued with a new identification number for the purposes of their higher education studies. The higher education information system shall contain the student register. Except for the person concerned, personal data may only be transferred from the student register for the lawful establishment of entitlement to certain benefits associated with student status and of student loans, to the party providing the benefits or authorised to carry out the assessment of eligibility. Data may be kept in the student register for eighty years from the notification of the termination of student status.

5. Instructors, lecturers, researchers employed in the form of a regular employment relationship or in public servant status, or, upon the request of instructors, lecturers, researchers employed in the form of a regular employment relationship or in public servant status, the employer shall initiate the issuing of a lecturer, researcher, or instructor pass (hereinafter 'lecturer pass') with the body in charge of the operation of the higher education information system.

5.1. The preparation of the lecturer pass shall be ensured and the lecturer pass sent by the body in charge of the operation of the higher education information system to the person entitled thereto via a data processor. The lecturer pass shall bear the number of the pass, the name of its holder, place and date of birth, identification number, the name and address of the employer, the holder's photograph and signature, the date of expiry of the lecturer pass and data pertaining to the validity of the pass. The body in charge of the operation of the higher education information system may keep the personal data obtained in the course of preparation of the lecturer pass for five years from the expiry of the pass.

5.2. Unless otherwise specified in a government decree, during the procedure of the preparation of the lecturer pass:

- a) the entitled person or his/her employer shall submit the request for a pass and perform other procedural actions specified in legislation by electronic means,
- b) the body in charge of the operation of the higher education information system shall maintain contact by electronic means.

5.3. The rules pertaining to the request procedure of a lecturer pass shall be specified in a governmental decree.

5.4. The body in charge of the operation of the higher education information system shall keep records of personal data necessary for the request and preparation of lecturer passes, the individual identification number of the lecturer pass, the serial number of the validation sticker issued, and further information other than personal data necessary for the ascertainment and recording of eligibility.

6. Students or, upon request of the student, the higher education institution shall initiate the issuing of a student pass with the body in charge of the operation of the higher education information system. The preparation of the student pass shall be ensured by the body in charge of the operation of the higher education information system and the pass shall be sent to the person entitled thereto via a data processor.

6.1. The student pass shall bear the number of the pass, the name of the student, place and date of birth, address and signature. The student pass also bears the student's photograph, identification number, the name and address of the higher education institution, the date of expiry of the student pass, data pertaining to the validity of the pass, indication of the type of the student pass. The body in charge of the operation of the higher education information system may keep the personal data obtained in the course of preparation of the student pass for five years from the expiry of the pass.

6.2. Unless otherwise specified in a government decree, during the procedure of the preparation of the student pass:

- a) the student or the higher education institution shall submit the request for a student pass and perform other procedural actions specified in legislation by electronic means,
 - b) the body in charge of the operation of the higher education information system shall maintain contact by electronic means.
- 6.3. The rules pertaining to the request procedure of a student pass shall be specified in a governmental decree.
- 6.4. The body in charge of the operation of the higher education information system shall keep records of personal data necessary for the request and preparation of student pass, the individual identification number of the student pass, the serial number of the validation sticker issued, and further information other than personal data necessary for the ascertainment and recording of eligibility.
7. The body in charge of the operation of the higher education information system may manage data relating to the admission procedure of higher education institutions. Data pertaining to secondary school leaving examinations necessary for assessment of applications for admission may be supplied from the public education information system to the body in charge of the operation of the higher education information system. As part of these data, the student identification number shall also be forwarded. In the event that no student status has been established as a result of the procedure, personal and special data in connection with the admission procedure may be managed for one year from the submission of the application form.
8. Personal data may be forwarded from the higher education information system on a regular basis to ensure accuracy, completeness and timeliness of the content of the data and to the personal data and address register in the course of lecturer and student pass request procedures.
9. Data necessary for assessment of the applications for admission, the student identification number of the applicant or student may be supplied by the public education information system to the body in charge of the operation of the higher education information system.

Annex 4 to Act CCIV of 2011

Personal and special data registered and managed in connection with the tender procedure of the Bursa Hungarica Local Government Bursary for Higher Education

- 1. Data registered pursuant to this Act concerning the person applying for bursary:
 - a) identification data of the natural person
 - b) tax identification code
 - c) address
 - d) contacts
 - e) data pertaining to the person's higher education studies
 - f) year when the secondary school leaving examination was taken
 - g) personal and special data pertaining to the applicant, close relatives of the applicant and persons living in the same household with the applicant, proving that the applicant is in need with respect to his/her social situation
 - h) the result of the application for admission to a higher education institution
 - i) data pertaining to the student status of the applicant
- 2. Data under point 1 may be managed by
 - a) the Minister or the organisation designated by the Minister to implement the tender procedure (hereinafter: organization in charge of the tender procedure),
 - b) the local government connected with the bursary programme,
 - c) the higher education institution disbursing the bursary.

3. Purpose of data management: implementation of the bursary tender procedure and assessment of eligibility to the bursary.
4. Duration of data management: 5 years from the expiry of the bursary.
5. Bodies entitled to transfer personal and special data managed in connection with the bursary programme and conditions of data transmission:
 - a) data processors listed under point 2 may exchange all the data pertaining to the applicant listed in point 1,
 - b) the body in charge of the operation of the higher education information system may transfer the applicant's result obtained at the application for admission to the higher education institution to the organization in charge of the tender procedure and the local government that provides contribution to the bursary,
 - c) the higher education institution may transfer data pertaining to the student status to the organization in charge of the tender procedure and the local government that provides contribution to the bursary.

Annex 5.

Personal and Special data registered and managed according to Student Grant Contract

1. Data registered according to this act of students financed through (partial) state grant are:
 - a) personal identification data,
 - b) data of permanent and temporary addresses,
 - c) data related to Hungarian employment(s) and its (their) duration,
 - d) data related to registration as a jobseeker and as determined by the Act on the Promotion of Employment and Unemployment Benefits, as well as related to the period spent in job seeking,
 - e) data related to eligibility to maternity allowance and its duration,
 - f) data related to eligibility to child care allowance and its duration,
 - g) data related to eligibility to child care fee and its duration,
 - h) data related to disability and its duration,
 - i) the date of reaching pension age.
2. The Authority is authorised to keep record of the data listed in the first paragraph.
3. The aim of data management:

Tracking the pathway and supervising how the student financed through (partial) state grant meets the obligations defined in the (partial) state grant contract.

4. The length of data management:

Data management shall be ended 5 years after the termination of the student grant contract.

Data can be forwarded to:

- a, the court, police, attorney's department, executive court, administrative bodies, the necessary data for the concrete case
- b) special service for national security

The Authority can require after the personal data and address of the registered persons from the body responsible for personal data and address, the Labour / Employment Centre and the organizations subordinated to this centre, the treasury, Healthinsurance Body, Central Administration of National pension Insurance and National Tax and Customs Administration of Hungary in order to track and revise personal data, which can must be done free of charge by electric means.