



Testimony on Senate Bill 497
Senate Education Committee
February 13, 2019

Chair Wagner, Vice-Chair Thompson, and members of the Committee. My name is Kyle Thomas, and I am the Director of Legislative and Policy Affairs for the Higher Education Coordinating Commission. Thank you for the opportunity to submit testimony on SB 497. The measure makes two changes to Oregon Promise.

Changing the GPA requirement from 2.5 to 2.0 expands Oregon Promise access to additional students, increasing the number of new applicants by roughly 15% each year. The HECC projects that in the 2020-21 year, this would result in an additional estimated 1,050 grant recipients (students receiving funds in college). This is an estimate derived from an informal survey of GPAs at 65 ASPIRE sites, and actual program utilization may be higher or lower. In the event additional funds are not appropriated to provide awards to additional students, HECC may utilize cost control authorities provided in current law.

This estimate assumes that the change would take effect in the second year of the biennium, with students entering college in Fall 2020. This change would bring the GPA requirement more in alignment with Satisfactory Academic Progress (SAP) requirements at the colleges.

Second, the measure changes the minimum enrollment requirement so that students can receive the grant if they are enrolled in less than 6 college credits per term (ie, 1-5 credits), only if the student provides documentation to the HECC showing that they have paid employment of an average 30 hours per week or more.

This would help some students receive Oregon Promise funds and maintain continued grant eligibility while they balance school and employment. The HECC does not have an estimate of the number of Oregon Promise students this would impact. Additionally, this would cause Oregon Promise to be less in alignment with the Oregon Opportunity Grant (OOG) and the Federal Pell Grant, which both require a minimum 6 credits per term. Since the Oregon Promise award calculation is tied to OOG and Pell eligibility, students who take fewer than 6 credits would lose their OOG and Pell eligibility for that term, and for many students the Oregon Promise funds would need to increase to cover this gap.

The HECC will need the ability to determine an average of 30 hours of paid work in an objective manner. There are different work schedules and types of work that would be challenging to evaluate, including for those who serve as caregivers and those who are self employed. The

changes to the program would require additional staff time to review and process higher levels of applications and awards, and respond to overall increased customer service demand.

The enrollment level change would require the creation of a new award level/calculation, which would require IT support and coordination with college financial aid staff. Changes would be required for Oregon Promise award lists and disbursement reporting. Additionally, HECC would need to establish a mechanism for students to securely submit employment documentation to the HECC for review. Additionally, HECC staff would need to update all marketing materials, website, and application materials to reflect these two changes.

The timing of the measure implementation will be important. The HECC recommends implementing the GPA change beginning with the high school class of 2020, which would impact students who are beginning college in Fall 2020-21. This will allow for systems changes, communications updates, training, and marketing for the program. The HECC also recommends implementing the award level at less than 6 credits for the start of the 2020-21 academic year, since it would require changes in OSAC awarding, reporting, adjustments at the college financial aid offices, and communication to students and partners.

Financial aid offices repeatedly request that OSAC provide at least 6 months advance notice for financial aid program changes, with changes going into effect at the start of an academic year rather than mid-year. Changes to award processing typically have significant impacts on workflow and systems for our financial aid partners.

Thank you for your time today.