

HB 2093 -1 STAFF MEASURE SUMMARY

House Committee On Education

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 3/25, 4/6

WHAT THE MEASURE DOES:

Expands educational options available to qualified students who are awarded Oregon Opportunity Grant and Oregon Promise program to include four-year universities and other post-secondary institutions. Modifies eligibility requirements for Oregon Opportunity Grant and Oregon Promise program. Allows commission to reevaluate eligibility of qualified student based on change in student's enrollment. Modifies funding distribution formulas for Oregon Opportunity Grant and Oregon Promise program. Allows Higher Education Coordinating Commission to determine allocation amounts by rule. Alters criteria for commission to prioritize grants for certain qualified students when available funds are insufficient. Allows commission to independently determine allocation of moneys from fund to Oregon Opportunity Grant and Oregon Promise program. Requires commission to retroactively evaluate eligibility and renewal of Oregon Opportunity Grants and Oregon Promise grants for qualified students who received awards before operative date. Modifies declared purpose of Oregon Opportunity Grant to prioritize academic success of qualified students. Removes language describing shared responsibility to bear cost of education. Renames Opportunity Grant Fund to College Opportunity Fund in State Treasury and replaces references in statute. Moves administration of Oregon Opportunity Grant program and Oregon Promise program from Office of Student Access and Completion to Higher Education Coordinating Commission. Requires commission to report to legislative committees on academic success and performance of students who are awarded Oregon Opportunity Grant and Oregon Promise grants and specifies requirements. Allows commission to take necessary action before operative date to implement requirements. Becomes operative August 1, 2022 for 2022-2023 academic year.

REVENUE: May have revenue impact, but no statement yet issued

FISCAL: May have fiscal impact, but no statement yet issued

ISSUES DISCUSSED:

- Characteristics of Oregon Opportunity Grant and Oregon Promise
- Funding and equity challenges

EFFECT OF AMENDMENT:

-1 Replaces measure. Expands educational options available to qualified students who are awarded Oregon Promise grants to include community colleges, public universities, the Oregon Health and Science University, and other accredited, Oregon-based, not-for-profit institutions of higher education. Allows Oregon Promise grant to be applied toward courses required for completion of a bachelor's degree. Increases minimum grant amount awarded to \$2,000 with adjustment for inflation as determined by Higher Education Coordinating Commission by rule. Removes \$50 reduction per term of grant awarded. Lowers eligibility threshold for grade point average to 2.0. Exempts students who have already completed six or more academic quarters or four or more academic semesters of full-time post-secondary education. Removes requirement for student to complete first-year experience at community college to maintain eligibility. Allows commission to consider projected resources and pending statutory modifications when determining whether sufficient moneys are available to award grants. Allows commission to consider student's financial resources rather than family contribution when determining

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eligibility. Removes ability for commission to increase amount owed by student if sufficient funds are unavailable. Applies to 2022-2023 academic year. Allows commission to take necessary action before operative date to implement requirements.

REVENUE: No revenue impact

FISCAL: May have fiscal impact, but no statement yet issued

BACKGROUND:

The Oregon Opportunity Grant (OOG) program is Oregon's largest state-funded, need-based financial aid program. According to the HECC, the OOG provides financial support to more than 30,000 low-income college students in Oregon each year. The OOG is primarily funded by appropriations from the Legislative Assembly to the Oregon Opportunity Grant Fund and by donations.

The Oregon Promise program was created by Senate Bill 81 (2015) and is the state's second-largest state-funded financial aid program. Oregon Promise is a grant available to Oregon high school graduates or students who pass the General Educational Development (GED) test, subject to certain eligibility requirements, to provide financial assistance for tuition and fees at Oregon community colleges.

House Bill 2093 modifies eligibility requirements for qualified students to receive the Oregon Opportunity Grant and Oregon Promise and expands the Oregon Promise to include tuition and fees at four-year universities and other post-secondary educational institutions in addition to community colleges. It replaces the distribution formulas currently outlined in Oregon law and allows the Higher Education Coordinating Commission to implement new formulas and eligibility requirements by rule.