



Testimony on Senate Bill 553
Senate Education Committee
February 8, 2021

Chair Dembrow, Vice-Chair Thomsen, 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 (HECC). Thank you for the opportunity to testify on SB 553.

Governor Brown, in her budget, has provided \$4m in funding to support the goal of this legislation. In order to best administer these funds, HECC wishes to request a couple of amendments. These amendments suggest a funding mechanism for COFA students that treats them as though they are any other resident student, while allowing for a phase in of this approach. The need for a phased in approach is caused by the Commission's Student Success and Completion Model (SSCM) design. The design of the SSCM, the funding formula for public universities, includes a three-year rolling average.

The Commission respectfully suggests that subsection (4) of section 1 of SB 553 is sufficient for it to treat COFA students fully as in-state students for formula purposes. This starts the clock on the three year phase in for counting them 100% in the formula per its rule. However, section 5 of the bill specifies a different treatment, one that pays the in-state/out-of-state differential for enrolling them, but would not pay the colleges for completion or other bonus factors. The students are half-in, half-out of the formula. The Commission recommends deleting section 5 of the bill to avoid making COFA students the only in-state resident students for whom universities are paid for enrollment, and not completion.

If this section is deleted, the effect of passage would be that Eastern Oregon University absorbs an immediate revenue decrease, and this issue needs to be addressed. To address this issue, the Commission recommends that, for the 21/23 biennium, this program be funded as a state program line item, to ensure that any school enrolling students this fall gets the full in-state/out-of-state differential for the biennium. For the 23/25 and future biennia, the Commission recommends shifting the funds from state programs line to PUSF, to formalize the policy of treating COFA students as full resident students, and applying all elements of the funding formula to their completion.

At minimum, if the Committee decides to go in a different direction, HECC requests an amendment to change the terminology in section 5 from "mission differentiation funding" to "mission support funding" to conform to the Commission's own change of this terminology during the recent five-year formula review process.

Thank you for your time today.