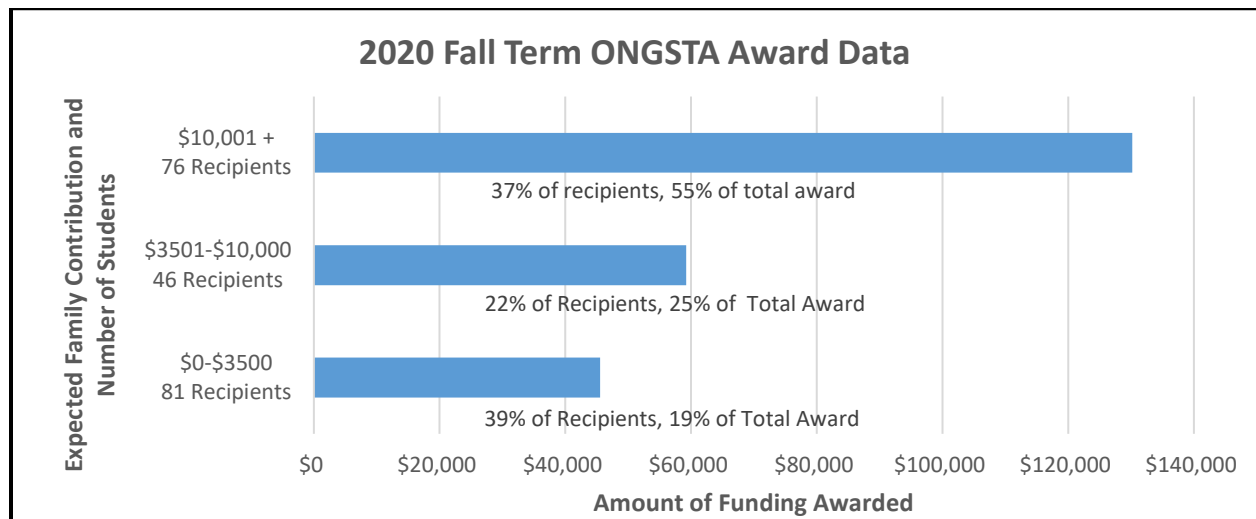




Testimony on Senate Bill 101
 Senate Committee on Finance and Revenue
 February 23, 2021

Chair Burdick, Vice Chair Boquist members of the Committee. My name is Bob Small and I am the Senior Policy Advisor for the Office of Student Access and Completion (OSAC) with the Higher Education Coordinating Commission (HECC). I am also the Program Administrator for the Oregon National Guard State Tuition Assistance (ONGSTA) grant program. Thank you for the opportunity to testify on SB 101.

I would like to thank my colleague, Dave Stuckey, with the Oregon Military Department for summarizing the ONGSTA program and how this program has been successful for our National Guard members. If I may, I would like to summarize the awarding process under current awarding structure.



Reviewing the last 2020 fall term ONGSTA award data, \$234,998 was awarded to 203 ONG members. Of the 203 ONG members, 81 of those members had an Expected Family Contribution (EFC) of \$3500 or less, which is estimated at a \$47,230 Adjusted Gross Income (AGI) who received a total of \$45,557 (19% of the total amount awarded). There were 46 award recipients who were in the \$3501-\$10,000 EFC range (\$47,231-\$80,000 AGI) who received \$59,237 (25% of the total amount awarded). The remaining 76 award recipients who have an EFC of \$10,001 or higher (\$80,001 and above AGI) received \$130,204 (55% of the total amount awarded).

This data example illustrates how ONG members who are higher income earners, and who may not be eligible for other federal and state grants, receive the maximum amount of ONGSTA

funds allowed, while ONG members who are considered higher need as lower income earners, receive a greater amount of federal and other state grant funding, which is applied towards their tuition balance prior to ONGSTA being awarded. With other grants being applied to tuition first, ONG members may get little to no ONGSTA funding to assist with fees and other costs of attendance such as food, housing, transportation, and child care. This creates an equity disparity regarding those ONG members who are in the lower income category.

With the passage of SB 101 and the -1 amendment, the restructuring of how funds are awarded for the program would provide a higher level of equity for all ONG members participating in the program. Applying program funding after Department of Defense Federal Tuition Assistance but before Pell and other state grants provides the extra financial aid support for lower income ONG members. Additionally, with the restructure of the program offering payment for certain fees and a book stipend, this additional support will help remove other stressful financial barriers such as food, housing, transportation, and child care that lower income students may face while attending college.

I would also wish to highlight, there may be a need of an additional funding investment to the program to provide adequate financial aid support for the program to be effective as described. However, the -1 amendment would allow the HECC to adjust the award amounts to qualified students based on EFC amounts similar to other state student aid grant programs should budgetary shortfalls occur. This would allow HECC to administer the program as modified by the bill within available appropriations.

This concludes my testimony and I would gladly invite any questions.

Thank you for your time today.