

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: SB 1032 - 1 <REVISED>**

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

*Only Impacts on Original or Engrossed Versions are Considered Official*

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**Measure Description:**

Establishes higher education grant program for qualified dependents of current Oregon National Guard members who are eligible to continue to serve in Oregon National Guard for at least six additional years.

**Government Unit(s) Affected:**

Higher Education Coordinating Commission, Oregon Military Department, Oregon Health and Science University

**Summary of Fiscal Impact:**

Costs related to the measure may require budgetary action - See analysis.

**<Revised to include additional information received from the Higher Education Coordinating Commission.>**

**Analysis:**

The measure establishes a higher education grant program for spouses and dependents of active Oregon National Guard members who have completed at least six years of service and who are eligible to continue serving for six more years. The cumulative amount that may be awarded to qualified students may not exceed four years of resident tuition charges, fees, and allowances at one or more of the programs. The measure is effective January 1, 2024.

In 2018, the Higher Education Coordinating Commission (HECC) established the Oregon National Guard State Tuition Assistance (ONGSTA) grant program to provide funding to eligible Oregon National Guard Members for tuition, fees, and books. The 2023-25 budget for this program at current service level is \$4,454,709 total funds and 1.50 FTE.

If this measure becomes law, it will expand the grant program to include spouses and dependents of active Oregon National Guard (ONG) members. Based on current participation and data provided by the ONG, HECC estimates the fiscal impact of expanding the program to be \$3,982,748 General Fund for the 2023-25 biennium and \$4,034,465 for 2025-27 biennium. This amount reflects administrative costs and \$3,795,677 for grant awards, based on approximately 138 participants receiving an average award of \$13,752. With the expansion of eligibility, HECC anticipates needing an additional permanent Program Analyst 3 (0.75 FTE) position at an estimated cost of \$187,071 General Fund in 2023-25 and \$238,788 General Fund in 2025-27.

There is no fiscal impact for the Oregon Military Department or Oregon Health and Science University.

This measure has a subsequent referral to the Joint Committee on Ways and Means for consideration of its budgetary impact on the State’s General Fund.