

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 Oregon Tribal Student Grant program. Establishes qualifications for participation in the program and details how grant award amounts are calculated under the program.

**Government Unit(s) Affected:**

Higher Education Coordinating Commission, Public Universities, Community Colleges, Oregon Health and Science University, Confederated Tribes of Grand Ronde, Confederated Tribes of Warm Springs, Klamath Tribes, Burns Paiute Tribe, Confederated Tribes of Siletz, Coquille Indian Tribe, Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians, Confederated Tribes of Umatilla Indian Reservation, Cow Creek Band of Umpqua Indians, Legislative Commission on Indian Services

**Summary of Fiscal Impact:**

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

**Analysis:**

HB 3565, as amended by the -1 amendment, provides statutory authority for the Oregon Tribal Student Grant program within the Higher Education Coordinating Commission (HECC). HECC is authorized to provide an initial grant to each qualified tribal student to offset the cost of education while enrolled in an eligible program at a post-secondary institution. Each qualified tribal student who receives an initial grant must receive renewal grants, provided the student continues to make satisfactory academic progress in an eligible program. A qualified tribal student may not receive grants under this program for more than three to five years, depending on certain factors. The total amount awarded to a qualified tribal student during an academic year may not exceed the cost of education at an eligible post-secondary institution in which the student is enrolled.

When awarding grants to qualified tribal students who have received a bachelor's degree, HECC must prioritize grants to qualified tribal students enrolled in a program that leads to a master's degree. If sufficient moneys are available to HECC after awarding grants, HECC may choose to award full or partial initial grants or renewal grants to qualified tribal students enrolled in a program leading to a professional degree, doctoral degree, or other eligible program. Prior to the start of the fall term for each academic year, HECC must determine whether moneys available to HECC are sufficient to award a grant to each qualified tribal student. If the moneys are insufficient, HECC may conduct rulemaking to prioritize grants to certain qualified tribal students or limit the eligibility criteria to receive a grant under the program.

HECC must report to the Legislative Commission on Indian Services and the Government-to-Government Tribal Education Cluster by September 1st of each even-numbered year on the implementation of the program, or any time HECC seeks to alter the calculation of a grant award amount. The measure takes effect on passage.

**Higher Education Coordinating Commission**

The measure is anticipated to have a fiscal impact on HECC. HECC currently administers the Oregon Tribal Student Grant program through funding provided by House Bill 5202 (2022). HECC's 2021-23 legislatively approved budget includes \$19 million in support of this program. Since opening the program to applicants on May 1, 2022, HECC has disbursed funds to approximately 370 enrolled students in Fall 2022, 361 enrolled

students in Winter 2023, and 388 enrolled students in Spring of 2023. As of May 30, 2023, HECC has received 272 applications for the 2023-24 school year. Because the Tribal Student Grant program is a “last dollar” program, many students have qualified for “first dollar” Oregon Opportunity Grant and federal Pell grant aid, reducing the net disbursement of Oregon Tribal Student Grant program funds. HECC estimates that of the \$19 million approved by the 2022 Legislature, approximately \$8 million will be disbursed by the end of the 2022-23 school year. Based on current level participation and disbursement, the 2023-25 Legislative Fiscal Office recommended budget for HECC includes \$24,245,859 General Fund for the Oregon Tribal Student Grant program. This amount includes funding for a permanent full-time position to administer the program.

**Other Government Units**

The measure is anticipated to have a minimal fiscal impact on community colleges, public universities, Oregon Health and Science University, and the Legislative Commission on Indian Services, and no fiscal impact on the nine federally recognized Indian Tribes in Oregon.