

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:**

Requires the Higher Education Coordinating Commission to establish a program to enable post-secondary institutions of education to provide transitional services and outreach to current high school students. Directs the commission to establish and administer a block grant program to fund specified programs. Appropriates an unspecified amount of General Fund to the commission for various purposes.

**Government Unit(s) Affected:**

Higher Education Coordinating Commission, Public Universities, Community Colleges, Department of Early Learning and Care

**Summary of Fiscal Impact:**

Costs related to the measure are indeterminate at this time - See explanatory analysis.

**Analysis:**

House Bill 2961 A-engrossed appropriates an unspecified amount of General Fund to the Higher Education Coordinating Commission (HECC) in five separate appropriations to provide:

1. Enhanced Oregon Opportunity Grant awards to lower income qualified students who either receive federal Pell grants or federal Supplemental Nutrition Assistance Program (SNAP) benefits.
2. Funding to public post-secondary institutions to provide grants to keep students enrolled during one-time or transitory emergency situations.
3. Funding to the Oregon TRIO Association, the Future Connect scholarship and support program at Portland Community College, and the Educational Opportunities Program at Oregon State University.
4. Expanded need-based financial aid opportunities and to ensure that historically underrepresented students at post-secondary institutions have increased access to wraparound services and support programs.
5. Block grants to public institutions of higher education for any program desired by the institution, including programs that assist first-generation or historically underserved students, provide academic coaching or mentoring, develop career pathways, provide Adult Basic Education, and provide English for Speakers of Other Languages (ESOL).

The measure takes effect on July 1, 2023, and requires HECC to:

1. Regularly evaluate rules adopted by the commission that impact how the commission distributes or award grants or financial aid to students enrolled in post-secondary institutions of education.
2. Establish a program to enable post-secondary institutions of education to provide services and outreach to current high school students to transition from high school to post-secondary institutions and access available resources.
3. Establish and administer a block grant program to fund any program desired by the institution, including programs that assist first-generation or historically underserved students, provide academic coaching or mentoring, develop career pathways, provide Adult Basic Education, and provide English for Speakers of Other Languages (ESOL).

In addition, the measure directs the Department of Early Learning and Care (DELIC) to conduct a comprehensive review of the Oregon Student Child Care Grant Program and campus-based child care centers to determine how to meet the needs of the greatest number of students. DELIC will report to the interim legislative committees related to higher education by September 15, 2024.

The measure requires each public institution of higher education to develop an integrated network of specified student support offices and provide each student with a liaison responsible for helping students navigate the integrated network. HECC may provide Oregon Opportunity Grant awards more than the maximum amount allowable to low-income qualified students.

#### **Higher Education Coordinating Commission**

The fiscal impact to HECC is indeterminate depending on the amount of funding to be allocated to these programs which will inform the level of staffing and resources required by HECC.

As a point of reference, according to HECC, there are currently 63,478 students who are eligible to receive Pell grants. Assuming HECC were to hypothetically provide enhanced Oregon Opportunity Grant payments of \$500 to the 63,478 eligible students, the enhanced Oregon Opportunity Grant program would distribute \$31,739,000 in special payments in 2023-25 and 2025-27. To administer this expanded program, HECC would require additional staffing to coordinate with the Department of Human Services for students eligible for SNAP to receive enhanced Oregon Opportunity Grant awards. Note that this hypothetical level of funding does not include funding and administrative costs for the block grant program, grants to keep students enrolled during one-time or transitory emergency situations, nor funding to the Oregon TRIO Association, the Future Connect scholarship and support program at Portland Community College, and the Educational Opportunities Program at Oregon State University.

The measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its impact to the state's General Fund and HECC's biennial budget.

#### **Public Universities and Community Colleges**

The fiscal impact to public universities and community colleges is indeterminate. The fiscal impact will depend on the amounts allocated to public post-secondary institutions of education to provide grants to keep students enrolled through one-time or transitory emergency situations and block grants to public institutions of higher education.

#### **Department of Early Learning and Care**

The measure is anticipated to have a minimal fiscal impact on DELIC.