

## SB 262 A STAFF MEASURE SUMMARY

### Senate Committee On Education

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**Action Date:** 04/04/23

**Action:** Do pass with amendments and requesting referral to Ways and Means. (Printed A-Engrossed.)

**Vote:** 6-1-0-0

**Yeas:** 6 - Anderson, Dembrow, Frederick, Gelsner Blouin, President Wagner, Weber

**Nays:** 1 - Robinson

**Fiscal:** Fiscal impact issued

**Revenue:** No revenue impact

**Prepared By:** Ellen O'Brien, LPRO Analyst

**Meeting Dates:** 3/30, 4/4

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#### WHAT THE MEASURE DOES:

Limits eligibility for Oregon Promise program to students and families with adjusted gross income at or below \$100,000. Clarifies commission's ability to limit eligibility based on individual or family-adjusted gross income when commission determines that program funding is insufficient. Requires Higher Education Coordinating Commission (HECC) to adopt rules to determine whether student meets income criteria. Permits HECC to award moneys from Oregon Promise program to students to encourage community college degree program completion, without regard to minimum or maximum Oregon Promise program grant amounts or eligibility criteria. Requires HECC to adopt specified rules for administration of awards for degree completion. Modifies definition of student qualified to receive state scholarship and grant awards. Transfers administration of Oregon Opportunity Grant program from Director of Office of Student Access and Completion to HECC. First applies to applications for grants for the fall 2024 academic term.

#### ISSUES DISCUSSED:

- Basing eligibility on expected family contribution (EFC) instead of adjusted gross income (AGI)
- Predictability of completion grants

#### EFFECT OF AMENDMENT:

Replaces the measure.

#### BACKGROUND:

The Joint Task Force on Student Success for Underrepresented Students in Higher Education (JTUSHE) was a bicameral legislative task force established by House Bill 2590 (2021). The measure charged the task force with visiting public post-secondary institutions of education in order to meet with current, former, and prospective students from underrepresented backgrounds, and with developing policy and funding proposals that focus on increasing the likelihood of student success for underrepresented students in the areas of access, retention, graduation, and entry into the workforce. The task force approved its [Report on Findings and Recommendations for 2023 Legislative Session](#) on December 13, 2022. Senate Bill 262 A was among the measures that the task force pre-session filed in accordance with the authority granted by House Bill 2590 (2021).

The Oregon Promise program was created by Senate Bill 81 (2015) and is the state's second-largest, state-funded financial aid program. Oregon Promise is a grant available to Oregon high school graduates or students who pass the General Educational Development (GED) test, subject to certain eligibility requirements, to provide financial assistance for tuition and fees at Oregon community colleges. Although the Oregon Promise is not a means-tested aid program, when sufficient funds are unavailable, Oregon law allows the Higher Education Coordinating Commission (HECC) to deny eligibility to students whose expected family contribution (EFC) is above a certain

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threshold as determined by the HECC by rule. During the second special session in August of 2020, the Legislative Assembly enacted Senate Bill 5723, which reduced appropriations to the HECC's budget for Oregon Promise grants and resulted in the HECC raising its EFC limit and restricting the eligibility of applicants who otherwise qualified for awards.

Senate Bill 262 A limits eligibility for the Oregon Promise program to students and families with an adjusted gross income below \$100,000, and permits the Higher Education Coordinating Commission to use Oregon Promise funding to award grants for degree completion.