



Testimony on SB 262
Senate Education Committee
March 30, 2023
Corrected April 6, 2023

Chair Dembrow, Vice-Chair Weber, and members of the Committee. My name is Kyle Thomas and I am the Director of Legislative and Policy Affairs for the Higher Education Coordinating Commission (HECC). Thank you for the opportunity to submit testimony on SB 262.

Oregon Opportunity Grant

As amended by the -2 amendment, SB 262 incorporates portions of a HECC introduced bill, HB 3566, that makes technical changes to the Oregon Opportunity Grant program that are important to better align that program with other state policy.

As state policy toward non-citizen students has evolved, these students have gained full eligibility for state financial aid programs provided they are Oregon residents. This eligibility applies to all programs administered by the Office of Student Access and Completion, except the Oregon Opportunity Grant. The reason for this discrepancy is that the Oregon Opportunity Grant, being the first grant the legislature made available to non-citizen students, is tied to more prescriptive statutory criteria that existed before the general broadening of eligibility. The language in the forthcoming amendment corrects for this difference.

Second, the amendment changes language in the Oregon Opportunity Grant program that details 'half-time' and 'full-time' status. Through the amendment, this language is replaced with more flexible terminology that recognizes a student **can receive an award even if enrolled on a less than half-time basis.** ~~must be enrolled a minimum of half time.~~

Oregon Promise Changes

The -2 amendment restricts eligibility for the Oregon Promise to students with individual or combined adjusted gross incomes of \$100,000 or less, depending on whether the student is a dependent student (where family income is counted for financial aid purposes) or an independent student (where such income is not considered).

As a last-dollar program, the Oregon Promise provides grants for average community college tuition and fee costs for students after the application of other state and federal aid. Though there is a minimum grant award of \$2000 for students whose tuition and fees are covered by other sources, the last dollar structure means students with estimated family incomes at or above \$100,000 capture nearly 40% of program funds, despite representing 25% of the program population. Students at or below roughly Oregon median income levels also capture around 40% of program funds, but represent closer to 60% of the program population.

Using adjusted gross income is an imperfect measure. While there is some correlation between income and college affordability, there are other factors, including family size, and savings and investments, that play a role in determining affordability. This is why financial aid eligibility is typically based on a formula calculation that includes multiple factors. As this bill advances, it may benefit students to continue to base eligibility on these calculations, with latitude for the Commission to target family incomes around the \$100,000 level.

Thank you for your time today.