

House Bill 2550

Sponsored by Representative HUDSON; Senator FREDERICK (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act changes the criteria for who may get an Oregon Promise grant. (Flesch Readability Score: 63.4).

Changes the requirements to qualify for the Oregon Promise program by removing the requirement that a person must receive the person's highest level of education six months prior to enrolling in a community college, removing the requirement that a person must complete high school in this state, removing the requirement that a person must have earned a cumulative grade point average of 2.0 or better in high school and specifying that a person may qualify by enrolling in a program to earn an applied baccalaureate degree or a Bachelor of Science: Nursing degree.

A BILL FOR AN ACT

1
2 Relating to qualification for the Oregon Promise program; creating new provisions; and amending
3 ORS 341.522.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 341.522 is amended to read:

6 341.522. (1) The Office of Student Access and Completion shall administer the Oregon Promise
7 program as provided by this section.

8 (2) Subject to subsections (7) to (10) of this section, the office shall provide a grant for commu-
9 nity college courses to a person who meets the criteria described in subsections (3) to (6) of this
10 section. [*The grant shall be limited as provided by subsections (7) to (10) of this section.*]

11 (3) A grant shall be awarded under this section to a person who meets the following criteria:

12 (a) Is enrolled in courses that are:

13 (A) Offered at a community college in this state; and

14 (B) Determined by the office, in accordance with rules adopted by the Higher Education Coor-
15 dinating Commission, to be required for completion of:

16 (i) A one-year curriculum for students who plan to transfer to another post-secondary institution
17 of education;

18 (ii) An associate degree, **an applied baccalaureate degree under ORS 348.910 or a Bachelor**
19 **of Science: Nursing degree under ORS 341.013**; or

20 (iii) A program in career and technical education;

21 (b) [*Except as provided in subsection (5) of this section,*] Has been a resident of this state for at
22 least 12 months prior to enrolling in the courses described in paragraph (a) of this subsection;

23 (c) Attained the person's highest level of education[, *except as provided in subsection (5) of this*
24 *section, in this state*] prior to:

25 (A) Receiving a **high school** diploma [*under ORS 329.451*];

26 (B) Receiving a certificate for passing an approved high school equivalency test such as the
27 General Educational Development (GED) test [*as provided by ORS 350.175*];

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (C) Completing grade 12 *[in compliance with the requirements of ORS 339.035]* **as determined**
 2 **by a private teacher, parent or legal guardian;** or

3 (D) Completing grade 12 at a private or parochial school¹, *as described in ORS 339.030 (1)(a)*;
 4 *[(d) Except as provided in subsections (4) and (5) of this section, attained the person's highest level*
 5 *of education as described in paragraph (c) of this subsection within six months from the date that the*
 6 *person first enrolls in courses described in paragraph (a) of this subsection for the purpose of receiving*
 7 *a grant under this section;]*

8 *[(e) Earned a cumulative grade point average of 2.0 or better in high school or otherwise demon-*
 9 *strated an equivalent academic ability, as determined by the office according to rules adopted by the*
 10 *commission;]*

11 *[(f)]* (d) Completed and submitted the Free Application for Federal Student Aid for each aca-
 12 demic year and accepted all state and federal aid grants available to the person, if eligible to file
 13 the application; and

14 *[(g)]* (e) Has not completed either of the following:

15 (A) More than a total of 90 credit hours, or the equivalent, at a post-secondary institution of
 16 education; or

17 (B) A curriculum, degree or program, as described in paragraph (a)(B) of this subsection.

18 *[(4)(a) If a person otherwise meets the required criteria and has been awarded a grant under sub-*
 19 *section (3) of this section, but the person enters into service with a career and technical student or-*
 20 *ganization relating to agriculture or farming that is approved by the Department of Education under*
 21 *ORS 344.077 within six months after the person attained the person's highest level of education as*
 22 *described in subsection (3)(c) of this section, the person will continue to be eligible to receive the grant*
 23 *if the person first enrolls in courses described in subsection (3)(a) of this section within six months of*
 24 *finishing the person's service with the career and technical student organization.]*

25 *[(b) In addition to the situation described in paragraph (a) of this subsection, the commission may*
 26 *waive the requirement set forth in subsection (3)(d) of this section for a person who shows that the*
 27 *person was unable to timely enroll in courses described in subsection (3)(a) of this section due to a*
 28 *significant hardship. The commission may adopt rules to implement this paragraph.]*

29 *[(5)(a) A member of the Oregon National Guard who has completed initial active duty training is*
 30 *not required to comply with the criteria set forth in subsection (3)(d) of this section in order to receive*
 31 *a grant, provided that the member first enrolls in courses described in subsection (3)(a) of this section*
 32 *within six months after completing initial active duty training, as evidenced by an official form issued*
 33 *by the United States Department of Defense.]*

34 *[(b)(A) A person who completes the highest level of education as described in subsection (3)(c) of*
 35 *this section while confined in a correctional facility, either serving a sentence of incarceration or as a*
 36 *young person, youth or adjudicated youth, is not required to comply with the criteria set forth in sub-*
 37 *section (3)(d) of this section in order to receive a grant, provided that the person first enrolls in courses*
 38 *described in subsection (3)(a) of this section within six months after the date on which the person is*
 39 *first released from a correctional facility following completion of the highest level of education de-*
 40 *scribed in subsection (3)(c) of this section.]*

41 *[(B)]* (4)(a) The eligibility requirements described in subsection (6)(a)(C) of this section may be
 42 waived by the office according to rules adopted by the commission for a person who *[receives a grant*
 43 *under this section in the manner described in subparagraph (A) of this paragraph]* **completes the**
 44 **highest level of education as described in subsection (3)(c) of this section while confined in**
 45 **a correctional facility, either serving a sentence of incarceration or as a young person, youth**

1 **or adjudicated youth.**

2 [(C)] **(b)** As used in this [paragraph] subsection:

3 [(i)] **(A)** “Adjudicated youth,” “detention facility,” “young person” and “youth” have the
4 meanings given those terms in ORS 419A.004.

5 [(ii)] **(B)** “Correctional facility” means any place used for the confinement of young persons,
6 youths or adjudicated youths or persons charged with or convicted of a crime or otherwise confined
7 under a court order, including a:

8 [(I)] **(i)** Youth correction facility;

9 [(II)] **(ii)** Detention facility;

10 [(III)] **(iii)** Department of Corrections institution;

11 [(IV)] **(iv)** Local correctional facility; or

12 [(V)] **(v)** State hospital or a secure intensive community inpatient facility, with respect to per-
13 sons detained therein who are youths or adjudicated youths, who are charged with or convicted of
14 a crime or who are detained therein after having been found guilty except for insanity of a crime
15 under ORS 161.290 to 161.373 or having been found responsible except for insanity under ORS
16 419C.411.

17 [(iii)] **(C)** “Department of Corrections institution” has the meaning given that term in ORS
18 421.005.

19 [(iv)] **(D)** “Local correctional facility” has the meaning given that term in ORS 169.005.

20 [(v)] **(E)** “Youth correction facility” has the meaning given that term in ORS 420.005.

21 [(c)(A)] **(5)(a)** If a person was a foster child:

22 [(i)] **(A)** The person shall be treated as meeting the residency criteria for eligibility under sub-
23 section (3)(b) of this section if, but for the person’s placement in out-of-state foster care, the person
24 otherwise meets the requirements of subsection (3)(b) of this section.

25 [(ii)] **(B)** The person shall be treated as attaining the person’s highest level of education [*in this*
26 *state*] under subsection (3)(c) of this section if the person attained the person’s highest level of edu-
27 cation while placed in out-of-state foster care and the person’s highest level of education substan-
28 tially meets the requirements under subsection (3)(c) of this section.

29 [(iii)] *The person is not required to comply with the criteria set forth in subsection (3)(d) of this*
30 *section in order to receive a grant provided that the person completes the highest level of education as*
31 *described in subparagraph (A)(ii) of this paragraph while in a treatment program and the person first*
32 *enrolls in courses described in subsection (3)(a) of this section within 12 months after the date on which*
33 *the person is released from the treatment program.]*

34 [(B)] **(b)** Upon request from the commission, the Department of Human Services shall provide
35 documentation of the placement status of a person described in [paragraph (c)(A) of] this subsection.

36 [(C)] **(c)** As used in this [paragraph] subsection:

37 [(i)] **(A)** “Foster care” means substitute care for children placed by the Department of Human
38 Services or a tribal child welfare agency away from the child’s parents and for whom the department
39 or agency has placement and care responsibility, including placements in foster family homes, foster
40 homes of relatives, group homes, emergency shelters, residential facilities, child care institutions and
41 preadoptive homes.

42 [(ii)] **(B)** “Foster child” means a child over whom the Department of Human Services retained
43 jurisdiction under ORS 417.200 for the duration of the child’s placement in foster care outside the
44 State of Oregon.

45 (6)(a) A person continues to remain eligible to receive a grant under this section if the person,

1 in addition to satisfying the criteria specified in subsection (3) of this section, meets the following
 2 criteria:

3 (A) Maintains at least the minimum cumulative grade point average prescribed by the commis-
 4 sion based on federal aid grant requirements;

5 (B) Makes satisfactory academic progress toward a curriculum, degree or program, as described
 6 in subsection (3)(a)(B) of this section, as prescribed by the commission based on federal aid grant
 7 requirements; and

8 (C) Enrolls in courses described in subsection (3)(a) of this section for a sufficient number of
 9 credit hours to be considered at least a half-time student each term for at least three terms in each
 10 consecutive academic year.

11 (b) A person who fails to meet an eligibility requirement described in paragraph (a) of this
 12 subsection becomes ineligible to receive a grant under this section for the term after which the
 13 person fails to meet the eligibility requirement, unless the eligibility requirement is waived by the
 14 office according to rules adopted by the commission.

15 (7)(a) The total amount of a grant awarded under this section shall be based on each term that
 16 a person is enrolled in courses described in subsection (3)(a) of this section. Except as provided in
 17 subsections (9) and (10) of this section, after the amount of tuition for the person for the term is
 18 reduced by any amounts received by the person in state and federal aid grants, the person shall be
 19 eligible for a grant under this section in an amount that equals:

20 (A) Except as provided by paragraph (b) of this subsection, not less than the greater of:

21 (i) \$2,000, adjusted for inflation based on the increase of the average cost of tuition at a com-
 22 munity college operated under this chapter in a manner determined by the commission by rule; and

23 (ii) The person's actual cost for tuition.

24 (B) Not more than the lesser of:

25 (i) The average cost of tuition at a community college in this state, as determined by the office;
 26 and

27 (ii) The person's actual cost for tuition.

28 (b)(A) If the office determines both that the person's actual cost for tuition exceeds the amount
 29 set forth in paragraph (a)(A)(i) of this subsection and that the person's actual cost for tuition ex-
 30 ceeds the average cost of tuition at a community college in this state, the person shall be eligible
 31 for a grant in an amount that equals the average cost of tuition at a community college in this state.

32 (B) If the office determines that the person's actual cost for tuition is less than the amount set
 33 forth in paragraph (a)(A)(i) of this subsection, the person shall be eligible for a grant in an amount
 34 that equals the amount set forth in paragraph (a)(A)(i) of this subsection.

35 (c) The minimum amount of a grant, as calculated under paragraphs (a) and (b) of this sub-
 36 section, may be prorated for a person who is enrolled in courses described in subsection (3)(a) of this
 37 section for a sufficient number of credit hours to be considered at least a half-time student but not
 38 a full-time student.

39 (d) The commission may prescribe by rule whether to include fees, and any limitations related
 40 to the inclusion of fees, when determining the actual cost of tuition or the average cost of tuition
 41 under this subsection.

42 (8) The commission may adopt by rule the priority by which grants are awarded, which may
 43 allow for preference to be given to persons enrolled in school districts or high schools that meet
 44 specified criteria.

45 (9) Prior to the start of the fall term of each academic year, the commission shall determine

1 whether there are sufficient moneys to award a grant under this section to each person who meets
 2 the criteria described in subsections (3) to (6) of this section. When making a determination under
 3 this subsection, the commission may consider both projected resources and statutory modifications
 4 that will take effect during the current biennium. On the basis of this determination the commission
 5 may:

6 (a) Limit eligibility to receive a grant under this section to a person whose financial resources,
 7 as determined by the commission by rule, are at or below the level the commission determines is
 8 necessary to allow the commission to operate the Oregon Promise program with available moneys;
 9 or

10 (b) Reduce or eliminate any limitation on eligibility previously imposed by the commission under
 11 paragraph (a) of this subsection.

12 (10)(a) If at any time the commission determines that there are insufficient moneys to provide
 13 a grant to each person who has been awarded a grant under this section, the commission may de-
 14 crease the total amount of the grant awarded.

15 (b) If at any time the commission determines that the amount of moneys available to operate the
 16 Oregon Promise program exceeds the amount determined under subsection (9) of this section, the
 17 commission may reduce or eliminate any limitation on eligibility to receive a grant under this sec-
 18 tion that was previously imposed by the commission under subsection (9)(a) of this section.

19 (c) The commission shall promptly notify the interim committees of the Legislative Assembly
 20 responsible for higher education each time the commission takes any action under paragraph (a) or
 21 (b) of this subsection.

22 (11) The commission shall adopt any rules necessary for the administration of this section, in-
 23 cluding any requirements related to:

24 (a) Specifying the form and timelines for submitting an application for a grant under this section;

25 (b) Determining whether a person is eligible for a grant under this section, including whether
 26 the person shall be given priority as allowed under subsection (8) of this section;

27 (c) Implementing programs or policies that improve the academic success or completion rates for
 28 persons who receive a grant under this section;

29 (d) Prescribing eligibility requirements and grant calculations for persons dually enrolled in a
 30 community college and a public university; and

31 (e) Evaluating the impact of the program established under this section, including any require-
 32 ments for reporting data needed for evaluations.

33 (12) No later than December 31 of each even-numbered year, the commission shall submit to an
 34 interim legislative committee related to education a report that summarizes the commission's
 35 findings on the impact of the program established under this section. The report shall include:

36 (a) Student completion rates of curricula, degrees and programs described in subsection (3)(a)(B)
 37 of this section;

38 (b) The amount of federal aid grants received by persons who received a grant under this sec-
 39 tion;

40 (c) The financial impact of the program on school districts that had students receive a grant
 41 under this section;

42 (d) The financial impact and the enrollment impact of the program on community colleges and
 43 public universities in this state; and

44 (e) The overall success rate of the program and financial impact of the program.

45 **SECTION 2. The amendments to ORS 341.522 by section 1 of this 2025 Act first apply to**

1 **the 2026-2027 academic year.**

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