House Bill 2719

Sponsored by Representative EVANS (Presession 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 creates a program to provide money for higher learning students. The Act requires students to repay the program for receiving money. (Flesch Readability Score: 62.7).

Establishes the Guaranteed Opportunity Program. Requires the Office of Student Access and Completion to administer the program. Requires the State Workforce and Talent Development Board to monitor the program every two years and make recommendations to the Legislative Assembly on whether modifications are necessary to enhance the state's workforce. Establishes that the program becomes operative on January 1, 2045.
Establishes the Guaranteed Opportunity Program Implementation Fund.

Requires the Higher Education Coordinating Commission, on the effective date of the Act, to begin the process of developing the policy and rules necessary to implement the Guaranteed Opportunity Program. Requires the commission to submit a report regarding the progress on the dethe 2026 and 2027 regular sessions of the Legislative Assembly.

Establishes the Task Force on Implementing the Guaranteed Opportunity Program. Requires the

task force to determine the amount of moneys the program will need to raise through bonding, determine which current grant and scholarship programs should be repealed on the operative date of the Guaranteed Opportunity Program and analyze the methods for preventing bad faith participation of participants in the program.

Sunsets the task force on December 31, 2026.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

- 2 Relating to methods of paying for post-secondary education; and prescribing an effective date.
- 3 Be It Enacted by the People of the State of Oregon:
 - SECTION 1. As used in sections 1 to 6 of this 2025 Act:
- (1) "Covered costs" means the costs of completing a degree program as determined by 5 6 the Higher Education Coordinating Commission by rule. Covered costs must include:
 - (a) Tuition;

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- (b) Mandatory and incidental fees;
- (c) Textbooks and other supplies; 9
- 10 (d) Housing; and
- (e) Any other cost of attending a degree program identified by the commission by rule. 11
- (2) "Degree program" means a degree or certificate program offered by an institution. 12
- (3) "Eligible individual" means an individual who seeks to enroll in the Guaranteed Op-13
- portunity Program and who: 14
 - (a) Is between 18 and 65 years of age; and
- (b)(A) Graduated from a high school in this state; or 16
- 17 (B) During the previous year, paid taxes as a resident of this state.
- 18 (4) "Institution" means:
 - (a) A public university listed in ORS 352.002;
 - (b) The Oregon Health and Science University;

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.

- (c) A community college operated under ORS chapter 341; or
 - (d) A career school as defined in ORS 345.010.

- (5) "Participant" means an eligible individual who is enrolled in a degree program as part of the Guaranteed Opportunity Program.
- (6) "Payment period" means the period beginning three months after a participant completes the Guaranteed Opportunity Program and ending on the date the participant either retires or reaches 65 years of age, whichever is later.
- <u>SECTION 2.</u> (1) There is established the Guaranteed Opportunity Program to be administered by the Office of Student Access and Completion pursuant to rules adopted by the Higher Education Coordinating Commission.
 - (2) To enroll in the program established under this section, an eligible individual shall:
 - (a) Submit a request in a manner determined by the commission by rule; and
- (b) Following the submission of a request under paragraph (a) of this subsection, meet with a counselor at the Office of Student Access and Completion and execute an agreement that:
 - (A) States the institution at which the eligible individual will enroll;
 - (B) States the degree program in which the eligible individual will enroll;
- (C) Sets forth the grade point average and graduation track requirements that the commission has established by rule for continuing participation in the Guaranteed Opportunity Program; and
- (D) States that, in return for the Office of Student Access and Completion paying the covered costs for the degree program, the eligible individual shall repay the office in the manner set forth in subsections (3) and (4) of this section.
- (3) In exchange for receiving the covered costs for a degree program, an eligible individual shall agree to pay to the Office of Student Access and Completion a percentage of the individual's adjusted gross annual income during the payment period. The percentage of adjusted gross annual income that the individual shall agree to pay is:
- (a) Two percent for a degree program that will result in an associate's degree or a certificate degree;
 - (b) Three percent for a degree program that will result in a bachelor's degree;
- (c) Four percent for a degree program that will result in a master's degree, law degree or other professional post-baccalaureate degree; and
 - (d) Five percent for a degree program that will result in a doctorate degree.
- (4) An eligible individual may enroll in the program an unlimited number of times to receive multiple certificates or degrees through the program. For an eligible individual who receives multiple certificates or degrees through the program, the agreement entered into by the individual under subsection (2) of this section must require the individual to pay to the Office of Student Access and Completion the percentage required for the highest level degree obtained by the individual under the program, as set forth in subsection (3) of this section.
- (5) If an eligible individual enrolls in the program multiple times under subsection (4) of this section, the payment period is deferred during all periods in which the individual is enrolled in the program.
- (6) In addition to the requirements set forth in subsection (3) of this section, the commission may require by rule that participants in the program preauthorize the Office of

- Student Access and Completion, the federal Internal Revenue Service or any other entity in this state or any other state to provide data on the participant necessary to verify the participant's income or to impose any appropriate conditions of payment during the payment period.
 - (7) For any personally identifiable information obtained by the office regarding participants in the program, the office may not:
 - (a) Publicly release the information; or

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- (b) Disclose the information as a public record under ORS 192.311 to 192.478.
- (8) Any data obtained by the office on participants in the program must be recorded in an aggregate format.
 - (9) The commission may adopt rules to implement this section.
- SECTION 3. (1) The Office of Student Access and Completion shall use moneys from the Guaranteed Opportunity Program Implementation Fund established in section 6 of this 2025 Act to pay all covered costs for participants in the Guaranteed Opportunity Program.
- (2) The office may enter into arrangements and agreements with institutions to determine the schedule and method of disbursements made under subsection (1) of this section.
- (3) The Higher Education Coordinating Commission may adopt rules to implement this section.
- <u>SECTION 4.</u> (1) The Higher Education Coordinating Commission shall by rule determine the payment schedule and method of payment of covered costs for each participant in the Guaranteed Opportunity Program.
- (2)(a) During each tax year of the payment period, the Director of the Department of Revenue shall provide the Office of Student Access and Completion with income tax data for the participant and the participant's household.
- (b) The office and the director may enter into an agreement to determine the schedule and method of providing the information required by this subsection.
- (3) If the participant does not reside in this state, the office may enter into agreements with the federal Internal Revenue Service or government entities in other states to verify the income of the participant and the participant's household.
- (4) If the office determines that a participant has failed to remit any required payment within a reasonable period of time, the office may take any action the office considers necessary to collect any amounts due, including:
- (a) Informing the director about the participant's delinquency and requesting that the director assign a deficiency to the participant's income tax payments for the appropriate amount, including any administrative costs; or
- (b) Contracting with a collections agency to collect any amounts due, including any administrative costs.
 - (5) The commission may adopt rules to implement this section.
- <u>SECTION 5.</u> (1) By September 15 of each even-numbered year, the State Workforce and Talent Development Board shall submit a report in the manner provided by ORS 192.245 to the interim committees of the Legislative Assembly related to higher education.
 - (2) The report required under this section shall:
- (a) Summarize the board's analysis and recommendations under subsection (3) of this section; and
 - (b) Include any recommendation for legislation.

- (3) For purposes of each report submitted under subsection (1) of this section, the board shall analyze the state's workforce needs and recommend whether the state workforce would benefit from changing the percentages of adjusted gross income that participants in the Guaranteed Opportunity Program are required to pay under section 2 of this 2025 Act. The analysis conducted under this subsection may include an examination of whether the state would benefit from changing the percentages paid by participants in certain degree programs but not in others.
- <u>SECTION 6.</u> (1) The Guaranteed Opportunity Program Implementation Fund is established in the State Treasury, separate and distinct from the General Fund. Earnings on moneys in the Guaranteed Opportunity Program Implementation Fund must be credited to the fund.
- (2) Moneys in the fund are continuously appropriated to the Higher Education Coordinating Commission for the purpose of financing and administering the Guaranteed Opportunity Program established under sections 1 to 6 of this 2025 Act.
 - (3) The commission shall deposit in the fund:

- (a) Amounts appropriated or otherwise provided by the Legislative Assembly for deposit in the fund;
 - (b) Amounts resulting from the issuance of bonds for deposit in the fund;
- (c) Gifts, devises or bequests received by the commission for the purpose described in subsection (2) of this section or received for the purpose of providing student assistance and not directed to a particular fund or account; and
- (d) Moneys received as repayment of or in exchange for the grant or loan of moneys in the fund.
- <u>SECTION 7.</u> (1) The Task Force on Implementing the Guaranteed Opportunity Program is established.
 - (2) The task force consists of 13 members appointed as follows:
- (a) The President of the Senate shall appoint two nonvoting members from among members of the Senate.
- (b) The Speaker of the House of Representatives shall appoint two nonvoting members from among members of the House of Representatives.
 - (c) The State Treasurer shall appoint one voting member with expertise in state bonding.
- (d) The executive director of the Higher Education Coordinating Commission shall appoint:
 - (A) One voting member to represent the Office of Student Access and Completion; and
- (B) One voting member to represent the interests of career schools as defined in ORS 345.010.
- (e) The presidents of the University of Oregon, Oregon State University and Portland State University shall jointly select one voting member to represent the universities' interests.
- (f) The presidents of the Oregon Institute of Technology, Eastern Oregon University, Western Oregon University and Southern Oregon University shall jointly select one voting member to represent the universities' interests.
- (g) The presidents of community colleges operated under ORS chapter 341 shall jointly select one voting member to represent the interests of community colleges.
- (h) The Governor shall appoint three voting members from this state, including one

voting member who is recommended by an organization that represents the interests of students in higher education in this state.

(3) The task force shall:

- (a) Determine the amount of moneys the Guaranteed Opportunity Program will need to raise through bonding to be able to fully fund all eligible individuals who seek to enroll in the program beginning in 2045;
- (b) Determine the amount of moneys the Guaranteed Opportunity Program will need to raise on an annual basis beginning in 2045 to fund all eligible individuals who seek to enroll in the program;
- (c) Analyze whether the percentages of income that participants in the Guaranteed Opportunity Program are required to pay under section 2 of this 2025 Act need to be amended;
- (d) Analyze methods for preventing the bad faith participation of participants in the Guaranteed Opportunity Program; and
- (e) Review currently offered grant and scholarship programs and determine which programs should be repealed as unnecessary in 2045.
- (4) The task force may suggest legislation to supplement implementation of the Guaranteed Opportunity Program.
- (5) A majority of the voting members of the task force constitutes a quorum for the transaction of business.
- (6) Official action by the task force requires the approval of a majority of the voting members of the task force.
 - (7) The task force shall elect one of its members to serve as chairperson.
- (8) If there is a vacancy for any cause, the appointing authority shall make an appointment to become immediately effective.
- (9) The task force shall meet at times and places specified by the call of the chairperson or of a majority of the voting members of the task force.
 - (10) The task force may adopt rules for the operation of the task force.
- (11) The task force shall submit a report in the manner provided by ORS 192.245, and may include recommendations for legislation, to the interim committees of the Legislative Assembly related to higher education no later than September 15, 2026.
- (12) The Higher Education Coordinating Commission shall provide staff support to the task force.
- (13) Members of the Legislative Assembly appointed to the task force are nonvoting members of the task force and may act in an advisory capacity only.
- (14) Members of the task force who are not members of the Legislative Assembly are not entitled to compensation or reimbursement for expenses and serve as volunteers on the task force.
- (15) All agencies of state government, as defined in ORS 174.111, are directed to assist the task force in the performance of the task force's duties and, to the extent permitted by laws relating to confidentiality, to furnish information and advice the members of the task force consider necessary to perform their duties.
 - SECTION 8. Section 7 of this 2025 Act is repealed on December 31, 2026.
- 43 SECTION 9. Sections 1 to 5 of this 2025 Act become operative on January 1, 2045.
 - SECTION 10. Notwithstanding the operative date specified in section 9 of this 2025 Act, the Higher Education Coordinating Commission shall, on the effective date of this 2025 Act,

begin the process of developing the policy and rules necessary to implement sections 1 to 6 of this 2025 Act.

SECTION 11. Notwithstanding the operative date specified in section 9 of this 2025 Act, the Higher Education Coordinating Commission shall submit a report on the progress the commission has made in developing the policy and rules necessary to implement sections 1 to 6 of this 2025 Act to the committees of the Legislative Assembly related to public finance and higher education during the 2026 and 2027 regular sessions of the Legislative Assembly.

SECTION 12. Section 11 of this 2025 Act is repealed on January 2, 2028.

SECTION 13. This 2025 Act takes effect on the 91st day after the date on which the 2025 regular session of the Eighty-third Legislative Assembly adjourns sine die.

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