

# House Bill 3391

Sponsored by Representatives SPRENGER, REARDON; Representative GOMBERG, Senator ROBLAN (at the request of Northwest Career Colleges Federation)

## 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**.

Allows qualified student to apply Oregon Opportunity Grant moneys toward certain for-profit post-secondary institutions.

Takes effect July 1, 2014.

## A BILL FOR AN ACT

1  
2 Relating to the Oregon Opportunity Grant program; creating new provisions; amending ORS 348.005,  
3 348.180, 348.183 and 348.205; and prescribing an effective date.

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

5 **SECTION 1.** ORS 348.180 is amended to read:

6 348.180. As used in this section and ORS 348.186, 348.205, 348.230, 348.250, 348.260 and 348.285:

7 (1) "Cost of education" includes but is not limited to, tuition, fees and living expenses.

8 (2) "Eligible post-secondary institution" means:

9 (a) A public university listed in ORS 352.002;

10 (b) A community college operated under ORS chapter 341;

11 (c) The Oregon Health and Science University; [*or*]

12 (d) An Oregon-based, generally accredited, not-for-profit institution of higher education; **or**

13 (e) **An Oregon-based, for-profit institution of higher education, including a career school**  
14 **licensed under ORS 345.010 to 345.450, that is authorized to confer or offer to confer a cer-**  
15 **tificate or an academic degree.**

16 (3) "Qualified student" means any resident student who plans to attend an eligible post-  
17 secondary institution and who:

18 (a) Has not achieved a baccalaureate or higher degree from any post-secondary institution;

19 (b) Is enrolled in an eligible program as defined by rule of the Oregon Student Access Commis-  
20 sion; and

21 (c) Is making satisfactory academic progress as defined by rule of the commission.

22 **SECTION 2.** ORS 348.205 is amended to read:

23 348.205. (1) The Oregon Opportunity Grant program is established within the Oregon Student  
24 Access Commission.

25 (2) Under the program, the cost of education of a qualified student shall be shared by the stu-  
26 dent, the family of the student, the federal government and the state.

27 (3) The commission shall determine the cost of education of a qualified student based on the type  
28 of eligible post-secondary institution the student is attending. The cost of education equals:

29 (a) For a student attending a community college, the average cost of education of attending a  
30 community college in this state;

**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 (b) For a student attending a public university under the direction of the State Board of Higher  
 2 Education, the average cost of education of attending a public university under the direction of the  
 3 board;

4 (c) For a student attending a two-year Oregon-based, generally accredited[, *not-for-profit*] insti-  
 5 tution of higher education, the average cost of education of attending a community college in this  
 6 state; [*and*]

7 (d) For a student attending the Oregon Health and Science University or a four-year Oregon-  
 8 based, generally accredited[, *not-for-profit*] institution of higher education, the average cost of edu-  
 9 cation of attending an institution under the direction of the board[.]; **and**

10 **(e) For a student attending a career school licensed under ORS 345.010 to 345.450, the**  
 11 **average cost of education of attending a community college in this state.**

12 (4)(a) The commission shall determine the amount of the student share. The student share shall  
 13 be based on:

14 (A) The type of eligible post-secondary institution the student is attending;

15 (B) The number of hours of work that the commission determines may be reasonably expected  
 16 from the student; and

17 (C) The amount of loans that the commission determines would constitute a manageable debt  
 18 burden for the student.

19 (b) The student shall determine how to cover the student share through income from work,  
 20 loans, savings and scholarships.

21 (c) The student share for a student who attends a community college may not exceed the amount  
 22 that the commission determines a student may earn based on the number of hours of work reason-  
 23 ably expected from the student under paragraph (a) of this subsection.

24 (d) The student share for a student who attends an eligible post-secondary institution that is not  
 25 a community college may not exceed the sum of the amount that the commission determines a stu-  
 26 dent may receive as loans plus the amount a student may earn based on the number of hours of  
 27 work reasonably expected from the student under paragraph (a) of this subsection.

28 (5) The commission shall determine the amount of the family share. The family share shall be  
 29 based on the resources of the family.

30 (6) The commission shall determine the amount of the federal share based on how much the  
 31 student or the student's family is expected to receive from the federal government as grants, loans,  
 32 tax credits or other student assistance.

33 (7)(a) The commission shall determine the amount of the state share. The state share shall be  
 34 equal to the cost of education reduced by the student share, family share and amount received by  
 35 the student from the federal government.

36 (b) The commission shall establish a minimum amount that a student may receive as a state  
 37 share. If the commission determines that the amount of the state share of a student is below the  
 38 minimum amount, the student may not receive the state share.

39 (c) In determining the amount of the state share, the commission shall consider the total amount  
 40 available to award as grants to all qualified students. If the commission must reduce the amount of  
 41 the state share under this paragraph, the commission may not reduce the amount of the state share  
 42 awarded to students in the low income range in a greater proportion than the amount that the state  
 43 share for students in other income ranges is reduced.

44 (8)(a) The commission shall adopt rules that prioritize current foster children and former foster  
 45 children for receiving Oregon Opportunity Grants when the Oregon Opportunity Grant program

1 does not have sufficient funding to serve all eligible Oregon students.

2 (b) For the purposes of this subsection, “former foster child” has the meaning given that term  
3 in ORS 351.293.

4 **SECTION 3. The amendments to ORS 348.180 and 348.205 by sections 1 and 2 of this 2013**  
5 **Act first apply to Oregon Opportunity Grants awarded for the 2015-2016 academic year.**

6 **SECTION 4.** ORS 348.005 is amended to read:

7 348.005. (1) The Legislative Assembly finds that:

8 (a) The State of Oregon can achieve its full economic and social potential only if all Oregonians  
9 have the opportunity to contribute to the full extent of their capabilities and only when financial  
10 barriers to their educational goals are removed;

11 (b) All Oregonians who meet the appropriate admissions requirements should be able to attend  
12 any community college, public university listed in ORS 352.002 or independent [*not-for-profit*] insti-  
13 tution of post-secondary education regardless of individual economic or social circumstances;

14 (c) The interests of this state are best served when public subsidies supporting college students  
15 are distributed fairly, equitably and consciously to ensure maximum access and choice for all  
16 Oregonians at the least cost to the taxpayers;

17 (d) Need-based student financial aid is an effective, efficient and essential means of assisting  
18 Oregonians who are unable to afford the full cost of higher education;

19 (e) Student financial aid allows Oregonians with limited resources to select academic programs  
20 based on their interests, aptitudes and career goals;

21 (f) Student financial aid encourages and permits capable and promising Oregonians to persist in  
22 their education and training within this state; and

23 (g) By assisting Oregonians in this manner, student financial aid contributes to the quality of  
24 life of each Oregonian and to the social, cultural and economic well-being of all Oregonians.

25 (2) It is the intention of the Legislative Assembly to establish financial assistance programs to  
26 enable qualified Oregonians who need student aid to obtain post-secondary education in Oregon’s  
27 community colleges, public universities or independent [*not-for-profit*] institutions of post-secondary  
28 education.

29 **SECTION 5.** ORS 348.183 is amended to read:

30 348.183. The Legislative Assembly recognizes:

31 (1) That an investment in educational opportunities for all Oregonians is an investment in a  
32 strong and stable economy and greater personal opportunities;

33 (2) That the single largest barrier to attending an institution of higher education is lack of fi-  
34 nances;

35 (3) That keeping higher education affordable requires a shared effort and partnership by stu-  
36 dents, family, the federal government, state government and private philanthropy;

37 (4) The broad and diverse range of quality post-secondary educational services provided by  
38 Oregon’s institutions of higher education, including Oregon’s community colleges, public universities  
39 and independent [*not-for-profit*] institutions of higher education;

40 (5) The positive effects on Oregon’s citizens, families and economy of encouraging talented and  
41 hardworking students to stay in Oregon to pursue a post-secondary education; and

42 (6) That, in order to maintain affordable tuition at Oregon’s public universities and community  
43 colleges, the Legislative Assembly, through the Joint Committee on Ways and Means, should review  
44 tuition affordability on the basis of standards, including the Higher Education Price Index, median  
45 family income, enrollment growth and state appropriations made to public universities and commu-

1 nity colleges in this state. This review by the Legislative Assembly on tuition and fee increases  
2 should occur biennially.

3 **SECTION 6. This 2013 Act takes effect on July 1, 2014.**

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