



From the Office of
Senator Michael Dembrow

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SB 932 Info

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Senator Dembrow,

As you probably know, providing tuition equity and grant aid to undocumented students is fairly new; fortunately California and Washington have both gone down this road and provided good examples for us to use when developing our fiscals.

We believe California's demographics and strong outreach programs don't provide a good basis for comparison to the program proposed in Oregon; however, recent research that looked at the number of actual undocumented students receiving Washington's need grant indicated total recipients numbered less than 1% of total postsecondary enrollment statewide. We'd expect similar numbers for Oregon- likely less, because Washington's grant program is much more generous and our enrollment under tuition equity is much less than theirs.

We work regularly with the Financial Aid Directors at all the Oregon public universities, and their collective knowledge is that only about 75 students currently are enrolled under the provisions of ORS 351.641. We don't know how many of them would qualify for the Oregon Opportunity Grant based on income since we aren't privy to their financial data. Since community colleges don't have different in-state and out-of-state tuition rates, they report they haven't attempted to track how many students might be undocumented since the current version of ORS 351.641 has no impact on them.

Under SB 932, undocumented students' grant applications would be combined with the existing pool of potentially eligible students and considered for grant awards in the same way that we consider currently eligible students. Ultimately, we estimate that no more than 1% of the existing population of grant recipients might be affected, so we anticipate a minor overall effect on the current population of students served. With roughly 35,000 Opportunity Grant recipients per year, we would expect no more than about 350 undocumented students to qualify each fiscal year, on average, and likely fewer. We expect that the 350 students would be a mix of first year students, second year students and so on.

We think the total number of undocumented students eligible for in-state tuition would top out at about 1,000 per year or less (i.e. eligible to apply for the Oregon Opportunity Grant). Not all

of them would qualify for the Oregon Opportunity Grant based primarily on income, so we estimate, at the high end, about 350 would receive the grant each year.

These are estimates based on census data, Washington's experience, and the experience of our public universities. We anticipate participation would be low in the first year, but would go up (to the 350 number) as the opportunity becomes better known.

Regarding quotas or any kind of preferential treatment, existing statute is very clear:

348.250 Procedure for awarding grants under ORS 348.230 and 348.260. (1) Grants established under ORS 348.230 and 348.260 shall be awarded by the Higher Education Coordinating Commission in the manner provided in this section.

(2) Persons interested in obtaining a grant established under ORS 348.230 and 348.260 may apply to the Executive Director of the Office of Student Access and Completion for a grant.

(3) The executive director shall screen or cause to be screened the applications and shall determine for each available grant the person best qualified to receive that grant. A qualified applicant is eligible to receive a grant established under ORS 348.230 and 348.260 if:

(a) The applicant's financial need is such that in the opinion of the executive director financial aid is warranted; and

(b) The applicant plans to be a student at the eligible post-secondary institution where the grant is to be used.

(4) The executive director shall not discriminate for or against any applicant for a grant.

(5) Nothing in ORS 348.210 to 348.260, 348.505 to 348.615, 348.696 and 348.992 shall be construed to require any institution to admit a grant recipient or to attempt to control or influence the policies of the institution.

(6) Whenever funds are not available to award grants to all qualified students, the executive director may give priority to applicants who are or plan to be full-time students at the eligible post-secondary institution where the grant is to be used. A student shall be considered to be a full-time student if the combination of credit hours at more than one eligible post-secondary institution equals full-time attendance, according to the institution disbursing the grant funds.

(7) As used in this section, "discriminate" has the meaning given "discrimination" in ORS 659.850.

Regarding how aid would be distributed involving "Free Community College" or Senate Bill 81 and the Oregon Opportunity Grant, SB 81 is currently in the -10 amendment process, and the number of amendments could go higher. Per my reading of the current bill and subsequent amendments (i.e. -9 & -10), undocumented students could participate in the "Free Community College" program. Since Federal and State aid are applied before any tuition "waiver" is applied, an undocumented student who was not eligible for Federal aid or the Oregon Opportunity Grant would receive a larger tuition "waiver" than a documented student at a similar income level.

Now, as to your specific questions:

--Projected OOG award amount for next year?

- The projected maximum Opportunity Grant for next year is \$2,100 for a full-time student.

--Maximum Pell Grant award currently? (I'll want to point out that most students with documentation who are OOG-eligible would be able to receive this amount even if they do not receive an OOG)

- The current maximum Pell Grant is \$5,775 for the upcoming award year. Unless a student was disqualified for a Pell for some reason (such as a drug-selling conviction or maxing out six-year Pell eligibility), anyone who qualified for an Opportunity Grant by income would certainly receive the maximum Pell grant under the revisions in HB 2407 (Opportunity Grant redesign).

--The number of additional students who will be able to receive the OOG with the added allocation for the next biennium?

- If we spent \$140 million in 2015-17, we'd expect to serve about 83,000 to 84,000 students in the 2015-17 biennium, based on an average disbursement grant amount of \$1680 per student. Total recipients for 2013-15 is about 70,650, so we'd make an additional 13,350 awards to eligible students next biennium. (The actual number of grant recipients will probably be higher since not all students enroll full time for the full year.)

--Also, do you happen to know the number of students who are currently receiving tuition equity?

- Based on our last conversation with the Financial Aid Directors from the public 4-year universities earlier this year, about 75 or 76 students were receiving tuition equity.

--What do you think of the intersection of Access to Opportunity and Free CC? Do you see passage of Free CC (-10s?) as changing the fiscal estimate for the SB 932 program?

- If the -10 passed, undocumented students would get access to the Free CC, but they'd still be required to apply for and use any Federal money (of which they'd get none), and any State money (such as the Opportunity Grant). Passing the -10 wouldn't reduce the fiscal for SB 932, but the passage of SB 932 would reduce the cost (a little) of Free CC. If undocumented students got access to the Opportunity Grant, they wouldn't cost Free CC as much, since their cost would be partially offset by the OOG. Make sense? The fiscal for SB 932 is mostly for processing a FAFSA-like application, and that wouldn't change if Free CC passed.

Hope this is helpful. Please let me know if you have any further questions.

Bob

