

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2407 - A**

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session  
Legislative Fiscal Office

*Only Impacts on Original or Engrossed Versions are Considered Official*

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**Measure Description:**

Provides that all qualified students receive second year of Oregon Opportunity Grant funding if they meet academic standards and benchmarks established by Higher Education Coordinating Commission by rule.

**Government Unit(s) Affected:**

Higher Education Coordinating Commission

**Summary of Expenditure Impact:**

	<b>2015-17 Biennium</b>	<b>2017-19 Biennium</b>
General Fund	\$250,000	
<b>Total Funds</b>	<b>\$250,000</b>	<b>\$0</b>

**Local Government Mandate:**

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**Analysis:**

The bill makes a number of changes to re-structure the Oregon Opportunity Grant (OOG) program. These changes specifically relate to eligibility, award amounts, priority awards, award guarantees, and award application deadlines. The Higher Education Coordination Commission (HECC) is directed to establish rules related to this legislation as well as report annually, on or before February 1, to committees of the Legislative Assembly regarding the academic success and performance of qualified students who receive Opportunity Grants.

Implementing the above summarized changes to the OOG awarding process will require significant reprogramming of the current Financial Aid Management (FAM) system that OSAC uses to process the Free Application for Federal Student Aid (FAFSA) data used to determine student eligibility and award amounts for the Opportunity Grants. This is estimated to cost \$250,000 General Fund in the 2015-17 biennium for service and supply costs related to information technology reprogramming. The OSAC is also seeking funding to make major improvements in the FAM system overall. The Joint Committee on Ways and Means will need to factor in this with the costs and tasks in changes necessary for implementing this bill.

Costs associated with rulemaking and reporting to the Legislative Assembly are anticipated to be minimal and absorbable within the existing parameters of the HECC budget. Funding for the Oregon Opportunity Grants is provided for in both the Governor's Recommended Budget and the Co-Chairs' Framework.