

**SB 55 A BUDGET REPORT and MEASURE SUMMARY**

**Joint Committee On Ways and Means**

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**Higher Education Coordinating Commission**

**2015-17**

PRELIMINARY

## **Budget Summary**\*

	<b>2015-17 Legislatively Approved Budget <sup>(1)</sup></b>	<b>2017 Committee Recommendation</b>	<b>Committee Change from 2015-17 Leg. Approved</b>	
			<b>\$\$ Change</b>	<b>% Change</b>
General Fund	\$ 10,000,000	\$ 13,556,302	\$ 3,556,302	35.6%

(1) Includes adjustments through December 2016

\* Excludes Capital Construction expenditures

## **Summary of Revenue Changes**

Senate Bill 55 includes a General Fund appropriation for the Higher Education Coordinating Commission.

## **Summary of Capital Construction Subcommittee Action**

The Subcommittee approved supplemental funding of \$3,556,302 for the Oregon Promise Program for 2015-17. This program provides tuition waivers to eligible community college students for courses taken at one of the 17 Oregon Community Colleges. Recipients must be enrolled at least half-time in a degree or certificate program, be a recent high school graduate, and maintain academic progress. All federal and state financial aid must be applied to the tuition prior to an Oregon Promise grant being awarded.

Due to higher than anticipated participation in this new program, an estimated additional \$3,556,302 is required for the remainder of this school year and biennium. This estimated amount takes into account the projected increase in the number of students, new students enrolling in the winter and spring quarters, and a retention rate of nearly 100% for students continuing the program for the winter and spring quarters. Projecting enrollment from one quarter to another is difficult given that this program is in its first year of operation and is only the second similar program implemented in the country. This estimate is based on the number of students in the program during the first academic quarter of the program's operation (Fall 2016). Any funds remaining from this appropriation will revert at the end of the biennium.

The bill also suspends the \$10 million annual statutory limit in spending for this program for this year (2016-17) only.