

**SB 1032 B STAFF MEASURE SUMMARY**

**Carrier:** Rep. Smith Warner

**Joint Committee On Ways and Means**

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**Action Date:** 07/03/17

**Action:** Do Pass the B-Eng bill.

**House Vote**

**Yeas:** 8 - Gomberg, Holvey, Huffman, McLane, Nathanson, Rayfield, Smith Warner, Williamson

**Exc:** 3 - Smith G, Stark, Whisnant

**Senate Vote**

**Yeas:** 12 - DeBoer, Devlin, Frederick, Girod, Hansell, Johnson, Manning Jr, Monroe, Roblan, Steiner Hayward, Thomsen, Winters

**Fiscal:** Fiscal impact issued

**Revenue:** No revenue impact

**Prepared By:** Doug Wilson, Budget Analyst

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**WHAT THE MEASURE DOES:**

Removes \$10 million cap on Oregon Promise Program grants per fiscal year. Reduces the amount a person receives by \$50 for each term the person receives the grant. Allows students who were unable to meet the timeline for enrollment in the Oregon Promise Program because they were either officers in an agricultural student organization approved by the Department of Education or experienced a significant hardship to maintain their eligibility for the program.

Requires Higher Education Coordinating Commission (HECC) to determine whether sufficient funds exist to award grants to all eligible individuals prior to the start of each academic year fall term. Permits HECC, based on annual fund evaluation, to limit eligibility for grant receipt by family contribution level or to reduce or eliminate previous eligibility limits. Allows HECC to decrease amount of grant awards or increase amount grant recipients must pay at any time HECC determines there are insufficient program funds. Allows HECC to reduce or eliminate previous eligibility limits at any time HECC determines Oregon Promise funds exceed amount needed for grant awards to each person who meets eligibility criteria. Requires HECC notify Legislative Assembly interim committees on higher education if HECC adjusts grant awards or amount persons must pay. Declares emergency, effective on passage.

Exempts Oregon National Guard members who have completed initial active duty training, provided House Bill 3423 becomes law, from requirement to enroll in community college courses within six months of attaining previous highest levels of education in order to qualify for Oregon Promise grant. Clarifies that in order to qualify for grant, member must enroll in community college courses within six months of completing initial active duty training, as evidenced by U.S. Department of Defense form. Takes effect for Oregon Promise program grants awarded for the 2018-2019 academic year.

**ISSUES DISCUSSED:**

Other potential hardship cases.

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

The Oregon Promise Program was created by SB 81 (2015). For students meeting certain eligibility requirements, the program offsets tuition remaining after deducting state or federal grants and a \$50 co-pay. SB 1032 reduces the amount by \$50 in lieu of the person's \$50 co-pay. According to the Higher Education Coordinating Commission, in the program's first year, 19,223 students applied for the program. Nearly 14,000 were eligible, and of those students,

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10,816 had a valid Free Application for Federal Student Aid (FAFSA) form on file. On those FAFSA forms, 10,459 students listed at least one Oregon community college, making them eligible for an award, though only 6,634 are estimated to have received an award.