

**B-Engrossed**  
**Senate Bill 1032**

Ordered by the Senate July 4  
Including Senate Amendments dated April 6 and July 4

Sponsored by Senator DEVLIN; Senators BAERTSCHIGER JR, BEYER, BOQUIST, BURDICK, FREDERICK, GIROD, HASS, KRUSE, MANNING JR, MONNES ANDERSON, MONROE, OLSEN, PROZANSKI, RILEY, ROBLAN, STEINER HAYWARD, TAYLOR, THOMSEN, Representatives ALONSO LEON, BARKER, CLEM, FAHEY, GORSEK, HUFFMAN, JOHNSON, MCKEOWN, MCLANE, MEEK, NOSSE, REARDON, SMITH DB, SOLLMAN, WHISNANT

**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.

Amends Oregon Promise program to remove prohibition on awarding more than \$10 million in grants per fiscal year. Makes requirement that person participating in program pay \$50 per term in tuition payable by reducing amount of grant awarded, instead of requiring separate payment by person.

**Requires Higher Education Coordinating Commission to determine prior to start of fall term each academic year whether sufficient moneys exist to award grant to each person who qualifies. Permits commission to limit eligibility to receive grant based on expected family contribution.**

**Permits commission to decrease total amount of grant awarded or increase amount person must pay for each term person receives grant if at any time commission determines that insufficient moneys exist to provide grant to each person who was awarded grant. Permits commission to at any time reduce or eliminate any limitation on eligibility imposed by commission due to shortage of moneys.**

Allows person to continue to qualify for program if, after being awarded grant, person enters into service with career and technical student organization relating to agriculture or farming that is approved by Department of Education before attending community college.

**Exempts person serving in Oregon National Guard from requirement to enroll in community college courses within six months of attaining previous highest level of education in order to qualify for Oregon Promise grant, provided that person enrolls in community college courses within six months of completing initial active duty training.**

Allows commission, upon showing of significant hardship, to waive requirement that in order to qualify for program person start attending classes at community college within six months after person completed previous highest level of education.

**Declares emergency, effective on passage.**

**A BILL FOR AN ACT**

1  
2 Relating to the Oregon Promise program; creating new provisions; amending ORS 341.522; repealing  
3 sections 1 and 2, chapter 410, Oregon Laws 2017 (Enrolled House Bill 3423); and declaring an  
4 emergency.

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

6 **SECTION 1.** ORS 341.522, as amended by section 1, chapter 75, Oregon Laws 2016, is amended  
7 to read:

8 341.522. (1) The Office of Student Access and Completion shall administer the Oregon Promise  
9 program as provided by this section.

10 (2) Subject to subsections [(5) and (6)] **(6) to (9)** of this section, the office shall provide a [*waiver*  
11 *of tuition*] **grant** for community college courses to a person who meets the criteria described in  
12 subsections (3) [*and (4)*] **to (5)** of this section. The [*waiver*] **grant** shall be [*a grant and*] limited as  
13 provided by subsections [(5) and (6)] **(6) to (9)** of this section.

**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 (3) A grant shall be awarded under this section to a person who meets the following criteria:  
2 (a) Is enrolled in courses that are:  
3 (A) Offered at a community college in this state; and  
4 (B) Determined by the office, in accordance with rules adopted by the Higher Education Coordinating Commission, to be required for completion of:  
5  
6 (i) A one-year curriculum for students who plan to transfer to another post-secondary institution  
7 of education;  
8 (ii) An associate degree; or  
9 (iii) A program in career and technical education;  
10 (b) Has been a resident of this state for at least 12 months prior to enrolling in the courses  
11 described in paragraph (a) of this subsection;  
12 (c) Attained the person's highest level of education in this state prior to:  
13 (A) Receiving a diploma under ORS 329.451;  
14 (B) Receiving a General Educational Development (GED) certificate as provided by ORS 350.175;  
15 (C) Completing grade 12 in compliance with the requirements of ORS 339.035; or  
16 (D) Completing grade 12 at a private or parochial school, as described in ORS 339.030 (1)(a);  
17 (d) **Except as provided in subsection (4) of this section**, attained the person's highest level  
18 of education as described in paragraph (c) of this subsection within six months from the date that  
19 the person first enrolls in courses described in paragraph (a) of this subsection for the purpose of  
20 receiving a grant under this section;  
21 (e) Earned a cumulative grade point average of 2.5 or better in high school or otherwise demonstrated an equivalent academic ability, as determined by the office according to rules adopted by  
22 the commission;  
23 (f) Completed and submitted the Free Application for Federal Student Aid for each academic  
24 year and accepted all state and federal aid grants available to the person, if eligible to file the application; and  
25  
26 (g) Has not completed either of the following:  
27 (A) More than a total of 90 credit hours, or the equivalent, at a post-secondary institution of  
28 education; or  
29 (B) A curriculum, degree or program, as described in paragraph (a)(B) of this subsection.  
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31 **(4)(a) If a person otherwise meets the required criteria and has been awarded a grant under subsection (3) of this section, but the person enters into service with a career and technical student organization relating to agriculture or farming that is approved by the Department of Education under ORS 344.077 within six months after the person attained the person's highest level of education as described in subsection (3)(c) of this section, the person will continue to be eligible to receive the grant if the person first enrolls in courses described in subsection (3)(a) of this section within six months of finishing the person's service with the career and technical student organization.**  
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39 **(b) In addition to the situation described in paragraph (a) of this subsection, the commission may waive the requirement set forth in subsection (3)(d) of this section for a person who shows that the person was unable to timely enroll in courses described in subsection (3)(a) of this section due to a significant hardship. The commission may adopt rules to implement this paragraph.**  
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44 ~~[(4)(a)]~~ **(5)(a)** A person continues to remain eligible to receive a grant under this section if the  
45 person, in addition to satisfying the criteria specified in subsection (3) of this section, meets the

1 following criteria:

2 (A) Maintains at least the minimum cumulative grade point average prescribed by the commis-  
3 sion based on federal aid grant requirements;

4 (B) Makes satisfactory academic progress toward a curriculum, degree or program, as described  
5 in subsection (3)(a)(B) of this section, as prescribed by the commission based on federal aid grant  
6 requirements;

7 (C) Enrolls in courses described in subsection (3)(a) of this section for a sufficient number of  
8 credit hours to be considered at least a half-time student each term for at least three terms in each  
9 consecutive academic year; and

10 (D) Completes a first-year experience, as identified by the community college and reported by  
11 the community college to the commission.

12 (b) A person who fails to meet an eligibility requirement described in paragraph (a) of this  
13 subsection becomes ineligible to receive a grant under this section for the term after which the  
14 person fails to meet the eligibility requirement, unless the eligibility requirement is waived by the  
15 office according to rules adopted by the commission.

16 [(5)(a)] **(6)(a)** The total amount of a grant awarded under this section shall be based on each  
17 term that a person is enrolled in courses described in subsection (3)(a) of this section. **Except as**  
18 **provided in subsections (8) and (9) of this section**, after the amount of tuition for the person for  
19 the term is [*reduced by \$50, to be paid by the person, and*] reduced by any amounts received by the  
20 person in state and federal aid grants, the person shall be eligible for a grant under this section in  
21 an amount that equals:

22 (A) Except as provided by [*paragraph*] **paragraphs (b) and (c)** of this subsection, not less than  
23 the greater of:

24 (i) \$1,000; and

25 (ii) The person's actual cost for tuition.

26 (B) Not more than the lesser of:

27 (i) The average cost of tuition at a community college in this state, as determined by the office;  
28 and

29 (ii) The person's actual cost for tuition.

30 **(b) The amount of a grant, as calculated under paragraph (a) of this subsection, shall be**  
31 **reduced by \$50 for each term that the person receives a grant under this section.**

32 [(b)] **(c)** The minimum amount of a grant, as calculated under paragraph (a) of this subsection,  
33 may be prorated for a person who is enrolled in courses described in subsection (3)(a) of this section  
34 for a sufficient number of credit hours to be considered at least a half-time student but not a full-  
35 time student.

36 [(c)] **(d)** The commission may prescribe by rule whether to include fees, and any limitations re-  
37 lated to the inclusion of fees, when determining the actual cost of tuition or the average cost of  
38 tuition under this subsection.

39 [(6)] **(7)** [*The total amount in grants awarded under this section by the office may not exceed \$10*  
40 *million per fiscal year, or any lesser amount available to the office for the purpose of this section.*] The  
41 commission may adopt by rule the priority by which grants are awarded, which may allow for pref-  
42 erence to be given to persons enrolled in school districts or high schools that meet specified criteria.

43 **(8) Prior to the start of the fall term of each academic year, the commission shall de-**  
44 **termine whether there are sufficient moneys to award a grant under this section to each**  
45 **person who meets the criteria described in subsections (3) to (5) of this section. On the basis**

1 of this determination the commission may:

2 (a) Limit eligibility to receive a grant under this section to a person whose family con-  
3 tribution, as determined by the commission by rule, is at or below the level the commission  
4 determines is necessary to allow the commission to operate the Oregon Promise program  
5 with available moneys; or

6 (b) Reduce or eliminate any limitation on eligibility previously imposed by the commission  
7 under paragraph (a) of this subsection.

8 (9)(a) If at any time the commission determines that there are insufficient moneys to  
9 provide a grant to each person who has been awarded a grant under this section, the com-  
10 mission may:

11 (A) Decrease the total amount of the grant awarded; or

12 (B) Increase the amount that a person must pay under subsection (6)(b) of this section  
13 for each term that the person receives a grant under this section.

14 (b) If at any time the commission determines that the amount of moneys available to  
15 operate the Oregon Promise program exceeds the amount determined under subsection (8)  
16 of this section, the commission may reduce or eliminate any limitation on eligibility to re-  
17 ceive a grant under this section that was previously imposed by the commission under sub-  
18 section (8)(a) of this section.

19 (c) The commission shall promptly notify the interim committees of the Legislative As-  
20 sembly responsible for higher education each time the commission takes any action under  
21 paragraph (a) or (b) of this subsection.

22 [(7)] (10) The commission shall adopt any rules necessary for the administration of this section,  
23 including any requirements related to:

24 (a) Specifying the form and timelines for submitting an application for a grant under this section;

25 (b) Determining whether a person is eligible for a grant under this section, including whether  
26 the person shall be given priority as allowed under subsection [(6)] (7) of this section;

27 (c) Implementing programs or policies that improve the academic success or completion rates for  
28 persons who receive a grant under this section;

29 (d) Prescribing eligibility requirements and grant calculations for persons dually enrolled in a  
30 community college and a public university; and

31 (e) Evaluating the impact of the program established under this section, including any require-  
32 ments for reporting data needed for evaluations.

33 [(8)] (11) No later than December 31 of each even-numbered year, the commission shall submit  
34 to an interim legislative committee related to education a report that summarizes the commission's  
35 findings on the impact of the program established under this section. The report shall include:

36 (a) Student completion rates of curricula, degrees and programs described in subsection (3)(a)(B)  
37 of this section;

38 (b) The amount of federal aid grants received by persons who received a grant under this sec-  
39 tion;

40 (c) The financial impact of the program on school districts that had students receive a grant  
41 under this section;

42 (d) The financial impact and the enrollment impact of the program on community colleges and  
43 public universities in this state; and

44 (e) The overall success rate of the program and financial impact of the program.

45 **SECTION 2. If House Bill 3423 becomes law, sections 1 (amending ORS 341.522) and 2,**

1 **chapter 410, Oregon Laws 2017 (Enrolled House Bill 3423), are repealed and ORS 341.522, as**  
2 **amended by section 1, chapter 75, Oregon Laws 2016, and section 1 of this 2017 Act, is**  
3 **amended to read:**

4 341.522. (1) The Office of Student Access and Completion shall administer the Oregon Promise  
5 program as provided by this section.

6 (2) Subject to subsections [~~(6) to (9)~~] **(7) to (10)** of this section, the office shall provide a grant  
7 for community college courses to a person who meets the criteria described in subsections (3) to  
8 [~~(5)~~] **(6)** of this section. The grant shall be limited as provided by subsections [~~(6) to (9)~~] **(7) to (10)**  
9 of this section.

10 (3) A grant shall be awarded under this section to a person who meets the following criteria:

11 (a) Is enrolled in courses that are:

12 (A) Offered at a community college in this state; and

13 (B) Determined by the office, in accordance with rules adopted by the Higher Education Coor-  
14 dinating Commission, to be required for completion of:

15 (i) A one-year curriculum for students who plan to transfer to another post-secondary institution  
16 of education;

17 (ii) An associate degree; or

18 (iii) A program in career and technical education;

19 (b) Has been a resident of this state for at least 12 months prior to enrolling in the courses  
20 described in paragraph (a) of this subsection;

21 (c) Attained the person's highest level of education in this state prior to:

22 (A) Receiving a diploma under ORS 329.451;

23 (B) Receiving a General Educational Development (GED) certificate as provided by ORS 350.175;

24 (C) Completing grade 12 in compliance with the requirements of ORS 339.035; or

25 (D) Completing grade 12 at a private or parochial school, as described in ORS 339.030 (1)(a);

26 (d) Except as provided in [~~subsection~~] **subsections (4) and (5)** of this section, attained the  
27 person's highest level of education as described in paragraph (c) of this subsection within six months  
28 from the date that the person first enrolls in courses described in paragraph (a) of this subsection  
29 for the purpose of receiving a grant under this section;

30 (e) Earned a cumulative grade point average of 2.5 or better in high school or otherwise dem-  
31 onstrated an equivalent academic ability, as determined by the office according to rules adopted by  
32 the commission;

33 (f) Completed and submitted the Free Application for Federal Student Aid for each academic  
34 year and accepted all state and federal aid grants available to the person, if eligible to file the ap-  
35 plication; and

36 (g) Has not completed either of the following:

37 (A) More than a total of 90 credit hours, or the equivalent, at a post-secondary institution of  
38 education; or

39 (B) A curriculum, degree or program, as described in paragraph (a)(B) of this subsection.

40 (4)(a) If a person otherwise meets the required criteria and has been awarded a grant under  
41 subsection (3) of this section, but the person enters into service with a career and technical student  
42 organization relating to agriculture or farming that is approved by the Department of Education  
43 under ORS 344.077 within six months after the person attained the person's highest level of educa-  
44 tion as described in subsection (3)(c) of this section, the person will continue to be eligible to receive  
45 the grant if the person first enrolls in courses described in subsection (3)(a) of this section within

1 six months of finishing the person's service with the career and technical student organization.

2 (b) In addition to the situation described in paragraph (a) of this subsection, the commission may  
3 waive the requirement set forth in subsection (3)(d) of this section for a person who shows that the  
4 person was unable to timely enroll in courses described in subsection (3)(a) of this section due to a  
5 significant hardship. The commission may adopt rules to implement this paragraph.

6 **(5) A member of the Oregon National Guard who has completed initial active duty**  
7 **training is not required to comply with the criteria set forth in subsection (3)(d) of this**  
8 **section in order to receive a grant, provided that the member first enrolls in courses de-**  
9 **scribed in subsection (3)(a) of this section within six months after completing initial active**  
10 **duty training, as evidenced by an official form issued by the United States Department of**  
11 **Defense.**

12 [(5)(a)] **(6)(a)** A person continues to remain eligible to receive a grant under this section if the  
13 person, in addition to satisfying the criteria specified in subsection (3) of this section, meets the  
14 following criteria:

15 (A) Maintains at least the minimum cumulative grade point average prescribed by the commis-  
16 sion based on federal aid grant requirements;

17 (B) Makes satisfactory academic progress toward a curriculum, degree or program, as described  
18 in subsection (3)(a)(B) of this section, as prescribed by the commission based on federal aid grant  
19 requirements;

20 (C) Enrolls in courses described in subsection (3)(a) of this section for a sufficient number of  
21 credit hours to be considered at least a half-time student each term for at least three terms in each  
22 consecutive academic year; and

23 (D) Completes a first-year experience, as identified by the community college and reported by  
24 the community college to the commission.

25 (b) A person who fails to meet an eligibility requirement described in paragraph (a) of this  
26 subsection becomes ineligible to receive a grant under this section for the term after which the  
27 person fails to meet the eligibility requirement, unless the eligibility requirement is waived by the  
28 office according to rules adopted by the commission.

29 [(6)(a)] **(7)(a)** The total amount of a grant awarded under this section shall be based on each  
30 term that a person is enrolled in courses described in subsection (3)(a) of this section. Except as  
31 provided in subsections [(8)] **(9)** and [(9)] **(10)** of this section, after the amount of tuition for the  
32 person for the term is reduced by any amounts received by the person in state and federal aid  
33 grants, the person shall be eligible for a grant under this section in an amount that equals:

34 (A) Except as provided by paragraphs (b) and (c) of this subsection, not less than the greater  
35 of:

36 (i) \$1,000; and

37 (ii) The person's actual cost for tuition.

38 (B) Not more than the lesser of:

39 (i) The average cost of tuition at a community college in this state, as determined by the office;  
40 and

41 (ii) The person's actual cost for tuition.

42 (b) The amount of a grant, as calculated under paragraph (a) of this subsection, shall be reduced  
43 by \$50 for each term that the person receives a grant under this section.

44 (c) The minimum amount of a grant, as calculated under paragraph (a) of this subsection, may  
45 be prorated for a person who is enrolled in courses described in subsection (3)(a) of this section for

1 a sufficient number of credit hours to be considered at least a half-time student but not a full-time  
2 student.

3 (d) The commission may prescribe by rule whether to include fees, and any limitations related  
4 to the inclusion of fees, when determining the actual cost of tuition or the average cost of tuition  
5 under this subsection.

6 [(7)] (8) The commission may adopt by rule the priority by which grants are awarded, which  
7 may allow for preference to be given to persons enrolled in school districts or high schools that  
8 meet specified criteria.

9 [(8)] (9) Prior to the start of the fall term of each academic year, the commission shall determine  
10 whether there are sufficient moneys to award a grant under this section to each person who meets  
11 the criteria described in subsections (3) to [(5)] (6) of this section. On the basis of this determination  
12 the commission may:

13 (a) Limit eligibility to receive a grant under this section to a person whose family contribution,  
14 as determined by the commission by rule, is at or below the level the commission determines is  
15 necessary to allow the commission to operate the Oregon Promise program with available moneys;  
16 or

17 (b) Reduce or eliminate any limitation on eligibility previously imposed by the commission under  
18 paragraph (a) of this subsection.

19 [(9)(a)] (10)(a) If at any time the commission determines that there are insufficient moneys to  
20 provide a grant to each person who has been awarded a grant under this section, the commission  
21 may:

22 (A) Decrease the total amount of the grant awarded; or

23 (B) Increase the amount that a person must pay under subsection [(6)(b)] (7)(b) of this section  
24 for each term that the person receives a grant under this section.

25 (b) If at any time the commission determines that the amount of moneys available to operate the  
26 Oregon Promise program exceeds the amount determined under subsection [(8)] (9) of this section,  
27 the commission may reduce or eliminate any limitation on eligibility to receive a grant under this  
28 section that was previously imposed by the commission under subsection [(8)(a)] (9)(a) of this sec-  
29 tion.

30 (c) The commission shall promptly notify the interim committees of the Legislative Assembly  
31 responsible for higher education each time the commission takes any action under paragraph (a) or  
32 (b) of this subsection.

33 [(10)] (11) The commission shall adopt any rules necessary for the administration of this section,  
34 including any requirements related to:

35 (a) Specifying the form and timelines for submitting an application for a grant under this section;

36 (b) Determining whether a person is eligible for a grant under this section, including whether  
37 the person shall be given priority as allowed under subsection [(7)] (8) of this section;

38 (c) Implementing programs or policies that improve the academic success or completion rates for  
39 persons who receive a grant under this section;

40 (d) Prescribing eligibility requirements and grant calculations for persons dually enrolled in a  
41 community college and a public university; and

42 (e) Evaluating the impact of the program established under this section, including any require-  
43 ments for reporting data needed for evaluations.

44 [(11)] (12) No later than December 31 of each even-numbered year, the commission shall submit  
45 to an interim legislative committee related to education a report that summarizes the commission's

1 findings on the impact of the program established under this section. The report shall include:

2 (a) Student completion rates of curricula, degrees and programs described in subsection (3)(a)(B)  
3 of this section;

4 (b) The amount of federal aid grants received by persons who received a grant under this sec-  
5 tion;

6 (c) The financial impact of the program on school districts that had students receive a grant  
7 under this section;

8 (d) The financial impact and the enrollment impact of the program on community colleges and  
9 public universities in this state; and

10 (e) The overall success rate of the program and financial impact of the program.

11 **SECTION 3. The amendments to ORS 341.522 by section 2 of this 2017 Act first apply to**  
12 **Oregon Promise program grants awarded for the 2018-2019 academic year.**

13 **SECTION 4. This 2017 Act being necessary for the immediate preservation of the public**  
14 **peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect**  
15 **on its passage.**

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