SB 958 -1 STAFF MEASURE SUMMARY

Senate Committee On Education

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Sub-Referral To:	Joint Committee On Ways and Means
Meeting Dates:	3/20, 4/3

WHAT THE MEASURE DOES:

Establishes the Dreamers Access Program to provide state-funded loans to Oregon public university students who are exempt from paying nonresident tuition and fees under ORS 352.287. Establishes application, eligibility and loan requirements. Establishes maximum loan amount of $10,000 per year and a total of $50,000. Requires public universities to provide loan counseling. Directs the Higher Education Coordinating Commission (HECC) to establish interest rates, as specified. Establishes Dreamers Access Program Fund to receive loan repayments, state appropriations, and funds from other sources. Permits HECC to require public universities to provide additional loans, grades, transcripts or diploma if student defaults on loan. Establishes tracking, recording and reporting requirements. Requires program meet the federal Fair Credit Reporting Act and other applicable laws. Requires HECC to report annually to legislature, starting no later than December 1, 2022. Authorizes HECC to adopt rules. First applies to loans for the 2020-2021 academic year. Effective 91st day after sine die.

ISSUES DISCUSSED:

- History of Tuition Equity
- College retention rates for undocumented students
- Access to loan programs for undocumented students
- Social security numbers and credit reporting
- Eligibility for federal financial aid
- Equality of college access
- Default loan rates for undocumented population
- Financial hardships of undocumented college students
- Accountability for loan repayment
- Self-supporting loan program
- Administration and structure of loan program

EFFECT OF AMENDMENT:

-1 Adds Oregon Health and Science University. Eliminates requirement to be in good standing and replaces with satisfactory progress. Permits Higher Education Coordinating Commission (HECC) to enter into contracts to implement program. Directs HECC to establish application, eligibility, and loan requirements by rule. Revises maximum loan amount for undergraduate students to align with federal Stafford loan program. Establishes maximum loan amount for graduate students of $10,000 per year and a total of $50,000. Eliminates ability of HECC to require universities to withhold services to students who default on loans. Permits HECC to submit loan defaults to collections unit of the Department of Revenue and report to consumer reporting agency. Eliminates requirement that State Treasurer approve promissory note. Changes reporting requirements from annual to biennial report.

BACKGROUND:

PRELIMINARY

In 2013, the legislature passed House Bill 2782 permitting undergraduate students who are not citizens or lawful permanent residents to pay in-state tuition and fees at Oregon public universities. The legislation is commonly referred to as tuition equity. To qualify, a student must attend an Oregon elementary or high school for three years immediately prior to graduating or leaving school without a diploma, attend an elementary or high school in the United States or territory five years immediately prior to graduating or leaving school without a diploma, earn an Oregon high school diploma or equivalent, and demonstrate intent to become a U.S. citizen or lawful permanent resident. The Higher Education Coordinating Commission reports that in 2017-2018 approximately 250 undergraduate students qualified for in-state tuition and fees under tuition equity provisions.

Students who are not U.S. citizens or lawful permanent residents are not eligible for federal student loan programs. Senate Bill 953 creates a state loan program for students who meet the requirements for tuition equity in Oregon. To qualify for the state loan program, students must enroll at least half-time in a degree program, be in good standing, and make satisfactory academic progress.

PRELIMINARY