

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 497 - 1

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office

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

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Reviewed by: Doug Wilson
Date:

Measure Description:

Lowers high school grade point average required to participate in Oregon Promise program from 2.5 to 2.0.

Government Unit(s) Affected:

Higher Education Coordinating Commission (HECC), Community Colleges

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Expenditure Impact:

	2019-21 Biennium	2021-23 Biennium
General Fund	\$1,960,373	
Total Funds	\$1,960,373	\$0
Positions	1	
FTE	1.00	

Analysis: The bill lowers the minimum high school Grade Point Average (GPA) from 2.5 to 2.0 to be eligible for an Oregon Promise award and changes the minimum hours enrolled to six credits per term if the student provides documentation that they have paid employment for an average of 30 hours per week or more.

The Higher Education Coordinating Commission (HECC) estimates that the number of Oregon Promise program participants would increase by 10% to 15% due to lowering the eligibility standard in the second year of the 2019-21 biennium (640 to 960 additional students). This is based on a survey through the ASPIRE program. This would result in an additional \$1,840,000 General Fund need to fully fund the Oregon Promise program assuming no eligibility limits based on criteria relating to Expected Family Contribution (EFC). HECC would also need one AS2 (1.00 FTE) to review the additional applications generated by this bill, verify applicant employment, process grant approvals. The impact of extending the program to students enrolled less than six credits per quarter is indeterminant since HECC does not have an estimate of how many students would participate under these new requirements.

This measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its budgetary impact on the State’s General Fund.