FISCAL IMPACT OF PROPOSED LEGISLATION **Measure: SB 497 - 2**

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

Only Impacts on Original or Engrossed Versions are Considered Official

Prepared by: Tim Walker
Reviewed by: Doug Wilson
Date: 04/02/2019

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	$1,960,192	
Total Funds	**$1,960,192**	**$0**
Positions	1	
FTE	0.50	

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.

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 biennium (640 to 960 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. This estimate does not assume any eligibility criteria in effect based on Expected Family Contribution (EFC). HECC would also need one AS2 (0.50 FTE) to review the additional applications generated by this bill.

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.