

A-Engrossed
House Bill 2093

Ordered by the House April 14
Including House Amendments dated April 14

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor Kate Brown for Higher Education Coordinating Commission)

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.

[Alters eligibility requirements and formula for establishing amount of award for Oregon Opportunity Grant and renewal of grant.]

Alters eligibility requirements and formula for establishing amount of award for Oregon Promise grant and renewal of grant. Expands Oregon Promise grant availability to qualified students enrolled at *[any eligible post-secondary institution]* **community college, public university, Oregon Health and Science University or Oregon-based, generally accredited, not-for-profit institution of higher education and to include students in bachelor's degree programs.**

[Makes Higher Education Coordinating Commission, rather than Director of Office of Student Access and Completion, responsible for administering Oregon Opportunity Grant program and Oregon Promise program.]

[Changes name of Opportunity Grant Fund to College Opportunity Fund. Adds Oregon Opportunity Grant program to approved uses and purposes of fund.]

[Establishes cumulative four-year full-time enrollment lifetime eligibility limit on total amount of Oregon Opportunity Grant and Oregon Promise grant awards any individual student may receive.]

[Becomes operative August 1, 2022.]

Increases minimum Oregon Promise grant award from \$1,000 to \$2,000.

Creates process for students denied eligibility for Oregon Promise grant during 2020-2021 academic year to qualify for grant during 2021-2022 academic year or obtain waiver from Higher Education Coordinating Commission.

Declares emergency, effective July 1, 2021.

A BILL FOR AN ACT

1
2 Relating to grants for student aid for higher education; creating new provisions; amending ORS
3 341.522; and declaring an emergency.

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

5 **SECTION 1.** ORS 341.522, as amended by section 1, chapter 19, Oregon Laws 2020 (first special
6 session), is amended to read:

7 341.522. (1) The Office of Student Access and Completion shall administer the Oregon Promise
8 program as provided by this section.

9 (2) Subject to subsections (7) to (10) of this section, the office shall provide a grant for *[com-*
10 *munity college]* **post-secondary** courses to a person who meets the criteria described in subsections
11 (3) to (6) of this section. The grant shall be limited as provided by subsections (7) to (10) of this
12 section.

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

14 (a) Is enrolled in courses that are:

15 (A) Offered at a community college **operated under ORS chapter 341, a public university**
16 **listed in ORS 352.002, the Oregon Health and Science University or an Oregon-based, gener-**
17 **ally accredited, not-for-profit institution of higher education** *[in this state]*; and

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

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

5 (ii) An associate degree; [or]

6 **(iii) A bachelor's degree; or**

7 [(iii)] **(iv) A program in career and technical education;**

8 (b) Except as provided in subsection (5) of this section, has been a resident of this state for at
9 least 12 months prior to enrolling in the courses described in paragraph (a) of this subsection;

10 (c) Attained the person's highest level of education, except as provided in subsection (5) of this
11 section, in this state prior to:

12 (A) Receiving a diploma under ORS 329.451;

13 (B) Receiving a certificate for passing an approved high school equivalency test such as the
14 General Educational Development (GED) test 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 subsections (4) and (5) of this section, attained the person's highest
18 level of education as described in paragraph (c) of this subsection within six months from the date
19 that the person first enrolls in courses described in paragraph (a) of this subsection for the purpose
20 of receiving a grant under this section;

21 (e) Earned a cumulative grade point average of [2.5] **2.0** or better in high school or otherwise
22 demonstrated an equivalent academic ability, as determined by the office according to rules adopted
23 by the commission;

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

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

28 (A) More than **the equivalent of six academic quarters or four academic semesters of**
29 **full-time study as a student enrolled at a post-secondary institution of education** [*a total of*
30 *90 credit hours, or the equivalent, at a post-secondary institution of education*]; or

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

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

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

43 (5)(a) A member of the Oregon National Guard who has completed initial active duty training
44 is not required to comply with the criteria set forth in subsection (3)(d) of this section in order to
45 receive a grant, provided that the member first enrolls in courses described in subsection (3)(a) of

1 this section within six months after completing initial active duty training, as evidenced by an offi-
2 cial form issued by the United States Department of Defense.

3 (b)(A) A person who completes the highest level of education as described in subsection (3)(c)
4 of this section while confined in a correctional facility, either serving a sentence of incarceration
5 or as a young person, youth or youth offender, is not required to comply with the criteria set forth
6 in subsection (3)(d) of this section in order to receive a grant, provided that the person first enrolls
7 in courses described in subsection (3)(a) of this section within six months after the date on which
8 the person is first released from a correctional facility following completion of the highest level of
9 education described in subsection (3)(c) of this section.

10 (B) The eligibility requirements described in subsection (6)(a)(C) of this section may be waived
11 by the office according to rules adopted by the commission for a person who receives a grant under
12 this section in the manner described in subparagraph (A) of this paragraph.

13 (C) As used in this paragraph:

14 (i) "Correctional facility" means any place used for the confinement of young persons, youth or
15 youth offenders or persons charged with or convicted of a crime or otherwise confined under a court
16 order, including a:

17 (I) Youth correction facility;

18 (II) Detention facility;

19 (III) Department of Corrections institution;

20 (IV) Local correctional facility; or

21 (V) State hospital or a secure intensive community inpatient facility, with respect to persons
22 detained therein who are youth or youth offenders, who are charged with or convicted of a crime
23 or who are detained therein after having been found guilty except for insanity of a crime under ORS
24 161.290 to 161.373 or having been found responsible except for insanity under ORS 419C.411.

25 (ii) "Department of Corrections institution" has the meaning given that term in ORS 421.005.

26 (iii) "Detention facility," "young person," "youth" and "youth offender" have the meanings given
27 those terms in ORS 419A.004.

28 (iv) "Local correctional facility" has the meaning given that term in ORS 169.005.

29 (v) "Youth correction facility" has the meaning given that term in ORS 420.005.

30 (c)(A) If a person was a foster child:

31 (i) The person shall be treated as meeting the residency criteria for eligibility under subsection
32 (3)(b) of this section if, but for the person's placement in out-of-state foster care, the person other-
33 wise meets the requirements of subsection (3)(b) of this section.

34 (ii) The person shall be treated as attaining the person's highest level of education in this state
35 under subsection (3)(c) of this section if the person attained the person's highest level of education
36 while placed in out-of-state foster care and the person's highest level of education substantially
37 meets the requirements under subsection (3)(c) of this section.

38 (iii) The person is not required to comply with the criteria set forth in subsection (3)(d) of this
39 section in order to receive a grant provided that the person completes the highest level of education
40 as described in subparagraph (A)(ii) of this paragraph while in a treatment program and the person
41 first enrolls in courses described in subsection (3)(a) of this section within 12 months after the date
42 on which the person is released from the treatment program.

43 (B) Upon request from the commission, the Department of Human Services shall provide doc-
44 umentation of the placement status of a person described in paragraph (c)(A) of this subsection.

45 (C) As used in this paragraph:

1 (i) "Foster care" means substitute care for children placed by the Department of Human Ser-
2 vices or a tribal child welfare agency away from the child's parents and for whom the department
3 or agency has placement and care responsibility, including placements in foster family homes, foster
4 homes of relatives, group homes, emergency shelters, residential facilities, child care institutions and
5 preadoptive homes.

6 (ii) "Foster child" means a child over whom the Department of Human Services retained juris-
7 diction under ORS 417.200 for the duration of the child's placement in foster care outside the State
8 of Oregon.

9 (6)(a) A person continues to remain eligible to receive a grant under this section if the person,
10 in addition to satisfying the criteria specified in subsection (3) of this section, meets the following
11 criteria:

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

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

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

20 *[(D) Completes a first-year experience, as identified by the community college and reported by the
21 community college to the commission].*

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

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

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

33 (i) *[\$1,000]* **\$2,000, adjusted for inflation based on the increase of the average cost of tui-
34 tion at a community college operated under ORS chapter 341 in a manner determined by the
35 commission by rule;** and

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

37 (B) Not more than the lesser of:

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

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

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

43 *[(c)(A)]* **(b)(A)** If the office determines both that the person's actual cost for tuition exceeds the
44 amount set forth in paragraph (a)(A)(i) of this subsection and that the person's actual cost for tuition
45 exceeds the average cost of tuition at a community college in this state, the person shall be eligible

1 for a grant in an amount that equals the average cost of tuition at a community college in this state.

2 (B) If the office determines that the person's actual cost for tuition is less than the amount set
3 forth in paragraph (a)(A)(i) of this subsection, the person shall be eligible for a grant in an amount
4 that equals the amount set forth in paragraph (a)(A)(i) of this subsection.

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

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

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

15 (9) Prior to the start of the fall term of each academic year, the commission shall determine
16 whether there are sufficient moneys to award a grant under this section to each person who meets
17 the criteria described in subsections (3) to (6) of this section. **When making a determination un-**
18 **der this subsection, the commission may consider both projected resources and statutory**
19 **modifications that will take effect during the current biennium.** On the basis of this determi-
20 nation the commission may:

21 (a) Limit eligibility to receive a grant under this section to a person whose [*family*
22 *contribution*] **financial resources**, as determined by the commission by rule, [*is*] **are** at or below the
23 level the commission determines [*is*] **are** necessary to allow the commission to operate the Oregon
24 Promise program with available moneys; or

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

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

29 [(A)] decrease the total amount of the grant awarded[; or]

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

32 (b) If at any time the commission determines that the amount of moneys available to operate the
33 Oregon Promise program exceeds the amount determined under subsection (9) of this section, the
34 commission may reduce or eliminate any limitation on eligibility to receive a grant under this sec-
35 tion that was previously imposed by the commission under subsection (9)(a) of this section.

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

39 (11) The commission shall adopt any rules necessary for the administration of this section, in-
40 cluding any requirements related to:

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

42 (b) Determining whether a person is eligible for a grant under this section, including whether
43 the person shall be given priority as allowed under subsection (8) of this section;

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

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

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

5 (12) No later than December 31 of each even-numbered year, the commission shall submit to an
6 interim legislative committee related to education a report that summarizes the commission's
7 findings on the impact of the program established under this section. The report shall include:

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

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

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

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

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

17 **SECTION 2. The amendments to ORS 341.522 by section 1 of this 2021 Act first apply to**
18 **the 2022-2023 academic year.**

19 **SECTION 3. The Higher Education Coordinating Commission may take any action before**
20 **the operative date specified in section 2 of this 2021 Act that is necessary to enable the**
21 **commission to exercise, on and after the operative date specified in section 2 of this 2021**
22 **Act, all the duties, functions and powers conferred on the commission by the amendments**
23 **to ORS 341.522 by section 1 of this 2021 Act.**

24 **SECTION 4. (1) As used in this section, "special eligibility student" means a person:**

25 (a) **Who applied to the Office of Student Access and Completion for an Oregon Promise**
26 **program grant under ORS 341.522 for any academic term during the 2020-2021 academic year;**
27 **and**

28 (b) **Who the office determined was ineligible to receive a grant solely due to the office's**
29 **determination to limit eligibility based on family contribution.**

30 (2) **Notwithstanding any other provision of law, a special eligibility student may receive**
31 **a grant under the Oregon Promise program operated under ORS 341.522 if the special eligi-**
32 **bility student:**

33 (a)(A) **Applies for enrollment beginning in the fall 2021 academic term at a community**
34 **college operated under ORS chapter 341; or**

35 (B) **Requests that the office grant the student a waiver from enrolling beginning in the**
36 **fall 2021 academic term at a community college due to significant hardship; and**

37 (b) **Meets the criteria set forth in the version of ORS 341.522 (3)(a) to (c) and (e) to (g)**
38 **that is operative and applies on the effective date of this 2021 Act.**

39 (3) **The office shall make a determination on whether to grant a request for a waiver**
40 **made under subsection (2)(a)(B) of this section according to a process established by the**
41 **Higher Education Coordinating Commission by rule.**

42 (4) **The office shall make reasonable efforts and use the residential addresses and elec-**
43 **tronic mail addresses in its possession to attempt to notify any former applicant who quali-**
44 **fies as a special eligibility student of the eligibility, enrollment and waiver deadlines**
45 **established in this section.**

1 **SECTION 5.** Section 4 of this 2021 Act is repealed on July 2, 2028.

2 **SECTION 6.** In addition to and not in lieu of any other appropriation, there is appropri-
3 ated to the Higher Education Coordinating Commission, for the biennium beginning July 1,
4 2021, out of the General Fund, the amount of \$28,932,328 for the purpose of operating the
5 Oregon Promise program in the manner set forth in section 4 of this 2021 Act and in ORS
6 341.522 as amended by section 1 of this 2021 Act.

7 **SECTION 7.** This 2021 Act being necessary for the immediate preservation of the public
8 peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect
9 July 1, 2021.

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