



# Protecting the Oregon Opportunity Grant

03/24/2023

Co-Chair Meek, Co-Chair Nathanson, and members of the committee,

My name is Nick Keough; I am the Legislative Director of the Oregon Student Association. **I am writing you all today to ask for your support on SB 129 with the -2 Amendment.**

As I am sure the members of this committee are aware, post-secondary education in Oregon has an affordability crisis. Tuition, fees, and textbooks have skyrocketed in cost over the last few decades, pricing generations of Oregonians out of post-secondary education. State financial aid has not kept pace with even coming close to covering the cost of tuition, let alone the soaring costs of food and housing across Oregon. Consequentially, students and their families, are increasingly applying for student loans, and going into substantial debt to afford attending at our colleges and universities.

The Oregon Opportunity Grant (OOG) is Oregon's largest state-funded, need-based grant program for low-income college students. It is available to eligible students attending Oregon colleges and universities for up to four years at full-time enrollment and currently provides financial support to more than 30,000 students a year. OOG recipients show strong progress through college and university, compared to other low-income students. In addition to supporting students from the lowest income families, the program disproportionately serves marginalized students in education: historically underserved racial/ethnic groups, women, rural, and first-generation-college students.

Currently, the OOG is not funded at a level that meets student need. Expanding the OOG allows Oregon residents with financial need to access in-state higher education in greater numbers. Increasing the overall funding and maximum awards of the OOG would make sustainable and affordable access a reality for a larger number of low- and middle-income Oregon residents. We should move away from covering a percentage of the cost of attendance, towards the goal of fully covering tuition and fees.

**It is for these reasons that the Oregon Student Association supports SB 129 with the -2 Amendment.**

While tax credit auctions for OOG contributions may have previously sold for more than their tax value, allowing surplus to go towards the programs, this is no longer the case. After the IRS issued rules in 2019 that required taxpayers to reduce their charitable deductions by the amount of any state or local tax credits they receive or expect to receive in return, the state of Oregon is paying more for the giveaway than what students are receiving. Thus, low-income students get fewer Opportunity Grants. Over the past four years, students received \$3.8 million less than they would have had the auctions not been in place. **We urge this legislature to work on adequately funding our grant so that we don't have to rely on tax credits moving forward. In moving away from the tax credit auctions, the Ways and Means Committee must increase its appropriation to OOG to absorb the expenditure via the auctions.**

Thank you,

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