



Legislative Fiscal Office
83rd Oregon Legislative Assembly
2025 Regular Session

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Date: April 7, 2025

Bill Title: Relating to waiver of tuition for qualified students.

Government Unit(s) Affected: Community Colleges, Public Universities, Department of Human Services, Higher Education Coordinating Commission

Summary of Fiscal Impact

Costs related to the measure are indeterminate at this time - see explanatory analysis.

Measure Description

The measure increases the tuition waiver eligibility age limit at an institution of higher education from 25 to 40 years of age for a current, former, or adopted foster child and a current or former homeless youth. The measure also redefines “former foster child” to include individuals who were in foster care for a period of six months between 10 and 21 years of age. The current definition of former foster child is limited to individuals between 14 to 21 years of age.

Fiscal Analysis

The fiscal impact of the measure is indeterminate, though assumed to be minimal, to community colleges and public universities. The measure will increase the number of students eligible for a tuition waiver, which would result in lost tuition revenue and, in some cases, fee-generated revenue. Currently, there are approximately 53,055 individuals who are between the ages of 25 and 39 who spent time in foster care, according to the Department of Human Services. However, the number of individuals who were in foster care between the ages of 10 and 21 for at least 6 months is currently unknown; and the current number of 53,055 former foster children does not include 10- to 14-year-olds, which means there are more than 53,055 former foster children who may qualify for a tuition waiver. Under current law, there were 292 former foster child students who received a tuition waiver in the 2023-24 school year, totaling \$197,414 in tuition waivers, with approximately \$52,000 waived for 161 community college students and \$145,414 waived for 131 public university students.

The average annual cost of tuition and fees across Oregon’s 17 community colleges is \$6,753. However, this figure does not fully capture the impact of high-cost programs such as aviation, nursing, and welding. Fees not only cover instruction but also the cost of essential materials and equipment. The fiscal impact to community colleges would not be limited to lost tuition revenue but would also include lost fee revenue that supports the operational costs of these programs.

The average annual cost of tuition and fees across Oregon’s seven public universities exceeds \$12,000. While the measure will increase the number of former foster child students who receive tuition waivers, many of those students also qualify for other forms of financial assistance, such as Pell Grants, the Oregon Opportunity Grant, and scholarships. In addition, many of these students would likely qualify for other remissions programs.

Absent specific data supporting how many new students might enroll and the scope of their financial need, the potential lost tuition and fee revenue to community colleges and public universities is indeterminate, though assumed to be minimal.

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 738 - 1

The measure is anticipated to have a minimal fiscal impact on the Department of Human Services.

The measure is not anticipated to have a fiscal impact on the Higher Education Coordinating Commission.

Relevant Dates

The measure takes effect on January 1, 2026.