
Docket Item:

Summary of Temporary Administrative Rule 575-039-0080 relating to cost controls for the Oregon Promise program, as provided by SB 1032 (2017).

Summary:

- | | |
|---|---|
| <input type="checkbox"/> New Rule | <input checked="" type="checkbox"/> Temporary |
| <input checked="" type="checkbox"/> Amend Existing Rule | <input type="checkbox"/> Permanent |
| <input type="checkbox"/> Repeal Rule | |

Prompted by:

- | |
|---|
| <input checked="" type="checkbox"/> State law changes |
| <input type="checkbox"/> Federal law changes |
| <input type="checkbox"/> Other |

The amendments to **575-039-0080** implement provisions of Senate Bill 1032, requiring the HECC to determine, by rule, how it will limit eligibility for the Oregon Promise grant based upon an applicant's family contribution so that the Commission is able to operate the program with available moneys.

The budget for the Oregon Promise grant program was not finalized until July 7, 2017 and signed by the Governor on August 8, 2017, already delaying the grant awarding process by several months. The Commission needed to begin awarding Oregon Promise grants by August 2017 in order for students to have access to grant funds to attend an eligible community college in fall 2017. Under this compressed time frame, it was not possible for the Commission to follow the permanent rules process and still make awards for fall 2017 timely. The Commission will begin meeting and working with stakeholders to refine permanent rules for limiting grant edibility so that permanent rules are in place prior to the start of the awarding process for the 2018-19 academic year.

Docket Material:

Temporary Rule Text attached in Appendix A.

Staff Recommendation:

Staff recommends approval of the temporary administrative rule amendment to 575-039-0080 relating to cost controls for the Oregon Promise program, effective August 11, 2017, as presented in the docket material.

Appendix A:

Temporary Rule Text

575-039-0080

Prioritization of Grant Recipients

(1) The Commission may prescribe the priority by which grants are awarded, which allows for preference to be given to persons enrolled in school districts or high schools that meet specified criteria as determined by the Commission.

(2) Prior to the start of the fall term of each academic year, the Commission shall determine whether there are sufficient moneys to award a grant to each person who meets the eligibility criteria described in OAR 575-039-0020. On the basis of this determination, the Commission may limit eligibility to receive a grant to a person whose family contribution, is at or below the level the Commission determines is necessary to allow the Commission to operate the Oregon Promise program with available moneys. In setting a limitation on eligibility and setting eligibility limits, the Commission shall consider:

- (a) The amount of funds allocated to the Oregon Promise program for the biennium;
- (b) The estimated costs of awarding eligible students in prior-year cohorts who have not yet exceeded the program's 90-credit limit;
- (c) The estimated costs of awarding new eligible applicants during each academic year, assuming a liability of up to 90 credits, which may extend beyond two years;
- (d) The anticipated tuition changes at the Oregon Community Colleges; and
- (e) The sustainability of the program to accommodate current and future cohorts within the biennium.

(3) The Commission may reduce or eliminate any limitation on eligibility previously imposed by the Commission under (2) of this subsection.

(4) For purposes of this section, "family contribution" is the same as a student's Expected Family Contribution.

Stat. Auth.: ORS 341

Stats. Implemented: ORS 341