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NOTICE OF PROPOSED RULEMAKING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

FILED
12/19/2025 11:08 AM
ARCHIVES DIVISION
SECRETARY OF STATE

CHAPTER 575
HIGHER EDUCATION COORDINATING COMMISSION
OFFICE OF STUDENT ACCESS AND COMPLETION

FILING CAPTION: Simplifying Oregon Opportunity Grant Awarding, Clarifying Residency, and Expanding Academic Program Eligibility

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 01/23/2026 5:00 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

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Filed By:
Guthrie Stafford
Rules Coordinator

HEARING(S)

Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.

DATE: 01/16/2026
TIME: 9:30 AM - 10:00 AM
OFFICER: Guthrie Stafford

REMOTE HEARING DETAILS
MEETING URL: Click here to join the meeting
PHONE NUMBER: 1-503-446-4951
SPECIAL INSTRUCTIONS:
Conference ID: 345597515#

NEED FOR THE RULE(S)

HB 3025 (2025) deletes the statutory awarding guidelines and program structure that was established by Senate Bill 334(2007) for determining the appropriate student, family, federal, and state share of the cost of education known as the Shared Responsibility Model and allows HECC to develop new guidelines by rule.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

No documents were relied on aside from HB 3025 (2025). The enrolled version of HB 3025 (2025: is available at:

https://olis.oregonlegislature.gov/liz/2025R1/Downloads/MeasureDocument/HB3025/Enrolled

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

The Oregon Opportunity Grant does not collect data on race or use race as a factor in determining student eligibility for OOG. Students with the greatest financial need (those from low-income backgrounds) are prioritized for the maximum

award amount. The updates to administrative rules will more equitably award students from lower income backgrounds with flexible award amounts based on enrollment level, clear residency requirements in line with other OSAC grant programs, and aligning academic program eligibility with federal Title IV rules. Since individuals from underrepresented minority groups are disproportionately affected by lower income levels due to systemic and historical inequities, bringing more flexibility and equity to the OOG rules will indirectly positively affect racial equity.

FISCAL AND ECONOMIC IMPACT:

The rule change as a result of HB 3025(2025) are anticipated to have a minimal fiscal impact on HECC because, although the measure will allow for more opportunities for nontraditional adult students and students in short-term degree programs, the OOG program scales based on the level of investment provided by the Legislature.

The rule changes are not expected to result in economic impact. Because the prior statutory award structure was under funded, HECC has been operating under statutory fall-back mechanisms that largely are similar to the proposed rules.

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

(1) Minimal impact to participating colleges and universities. It allows for low-income adult Oregonians attending eligible OOG colleges (Oregon community colleges, Oregon public universities, Oregon Health and Science University, and eligible Oregon-based non-profit private institutions) to have more options for enrollment, academic programs, or for those who submit the state's alternative application.

(2)(a) Small businesses would not be subject to this set of rules. No impact is expected.

(b) Small businesses would not be subject to this set of rules. No impact is expected.

(c) Small businesses would not be subject to this set of rules. No impact is expected.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

Small businesses were not involved in the development of these rules.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

An Administrative Rule Advisory Committee was not required or consulted, however the Office of Student Access and Completion consulted with state financial aid directors on the proposed policy as well as the Student Aid Advisory Committee.

RULES PROPOSED:

575-031-0005, 575-031-0010, 575-031-0016, 575-031-0020, 575-031-0022, 575-031-0023, 575-031-0025, 575-031-0027, 575-031-0030

AMEND: 575-031-0005

RULE SUMMARY: This rule restricts eligibility for Oregon Opportunity Grant to students who have been a resident of Oregon for at least 12 months prior to enrollment and have not been admitted to the United States for the purpose of enrolling in higher education.

CHANGES TO RULE:

575-031-0005
Residency ¶

To be eligible for an Oregon Opportunity Grant a student must:¶
(1)~~(a) Be a U.S. Citizen or eligible non-citizen as defined by federal regulations under Title IV, Part B of the Higher Education Act of 1965 as amended, and~~ Have been a resident of this state for not less than 12 months prior to enrolling at an eligible post-secondary institution;¶
(2) Have not achieved a baccalaureate or higher degree from any post-secondary institution;¶
(3) Be enrolled in an eligible program as defined by rule of the Higher Education Coordinating Commission;¶
(~~b~~4) Be ~~a resident of the State of Oregon as defined in OAR 575-030-0005(1); or~~¶
~~(2) Be exempted from paying nonresident tuition under ORS 352.287 or meet~~making satisfactory academic progress as defined by rule of the commission; and¶
(5) Have not been admitted to the ~~cr~~Uniter~~ia to be exempted from paying nonresident tuition in ORS 352,287 and provide documents specified in ORS 352.287(1)(c)(A) and (B) or ORS 352.287(2)(c)(A) and (B)~~d States for the purpose of enrolling in a program of study at an institution of higher education.
Statutory/Other Authority: ORS 348.180
Statutes/Other Implemented: ORS 348.180

AMEND: 575-031-0010

RULE SUMMARY: This rule removes reference to the Oregon Opportunity Grant Shared Responsibility Model and clarifies student financial need is based on the U.S. Department of Education need-analysis calculation.

CHANGES TO RULE:

575-031-0010
Financial Need ¶

~~(1) A student must have financial need as determined by the Commission as set forth in OAR 575-030-0005(4).¶~~
~~(2)~~ A student's financial need for purposes of determining eligibility for an Oregon Opportunity Grant i~~shall be~~ based upon ~~provisions of the Shared Responsibility Model as set forth in OAR 575-031-0022 and 0023~~the need-analysis calculation from the U.S. Department of Education, regardless of the need analysis application used by the student.
Statutory/Other Authority: ORS 348.205
Statutes/Other Implemented: ORS 348.205

AMEND: 575-031-0016

RULE SUMMARY: This rule outlines Oregon Opportunity Grant eligible academic programs to align with federal student aid requirements for academic program eligibility.

CHANGES TO RULE:

575-031-0016
Eligible Program ¶

To receive an Oregon Opportunity Grant, a student must be enrolled in ~~either~~one of the following:¶
(1) A program leading to a baccalaureate or associate degree;~~ or~~¶
(2) A program at least one academic year in length approved by the U.S. Department of Education for Title IV programs; or¶
(3) A program in career and technical education.
Statutory/Other Authority: ORS 348.180
Statutes/Other Implemented: ORS 348.180

REPEAL: 575-031-0020

RULE SUMMARY: This rule is being removed to remove reference to Shared Responsibility Model. The requirement and definition are already included in OAR 575-031-0025(5).

CHANGES TO RULE:

~~575-031-0020~~
~~Enrollment~~
~~(1) Except for subsections (2) of this rule, a student must be enrolled or accepted for enrollment as at least a half-time undergraduate student at an eligible institution. In addition, except for (2) below, when funds are not available to award grants to all qualified students, the Commission may give priority to applicants who are or plan to be full-time students at the eligible postsecondary institution where the grant is to be used.¶~~
~~(2) Students whose statutory rights provide for a legitimate need to attend school for less than half-time undergraduate status may be eligible to receive an Oregon Opportunity Grant. These students will not be denied priority status.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: ORS 348~~

REPEAL: 575-031-0022

RULE SUMMARY: This rule provides definitions for application of the Shared Responsibility Model. Awarding methodology is described in OAR 575-031-0025.

CHANGES TO RULE:

~~575-031-0022~~
~~Definitions for the Shared Responsibility Model ¶~~

~~(1) Cost of Education. For purposes of calculating Oregon Opportunity Grant awards under the Shared Responsibility Model, the standard cost of education is based on the definition of cost of education in OAR 575-030-0005.¶~~
~~(a) The standard cost of education for each institutional segment is based on the average of the standard costs for all participating institutions within an institutional segment.¶~~
~~(b) For purposes of calculating Oregon Opportunity Grant awards under the Shared Responsibility Model, the standard cost of education for all public and private independent 4-year institutions is the average of the standard costs for public 4-year institutions. The standard cost of education for all public 2-year institutions is the average of the standard costs for all institutions in that segment.¶~~
~~(2) "Student Share". The student share is a fixed amount based upon a reasonable amount of paid work and, in some cases, a modest amount of borrowing, depending upon the type of institution the student attends. The Commission adjusts the student share annually according to changes in the Oregon minimum wage and what the Commission determines to be a manageable debt burden for a student. The student's share may consist of any combination of financial resources from the student's work, loans, scholarships, savings, assets, or gift aid.¶~~
~~(a) For a student attending a public 2-year Oregon-based postsecondary institution, the student share is based on income from work. The Commission will annually determine the income from work amount, based on a minimum number of hours per week at Oregon minimum wage.¶~~
~~(b) For a student attending a public or not-for-profit 4-year Oregon-based postsecondary institution, the student share is based on income from work plus a modest loan amount. The Commission will annually determine the work component, based on a minimum number of hours per week at Oregon minimum wage, and the loan amount.¶~~
~~(c) For a student enrolled for 6 to 11 credit-hours, the component of the student share represented by income from work may be higher than for students enrolled full time. The Commission will determine this amount annually.¶~~
~~(d) "Manageable debt burden". The Commission will annually determine a manageable debt burden based on average entry-level salaries for public service occupations in Oregon.¶~~
~~(3) "Family Share". The family share is equal to the student's federally calculated expected family contribution, which is based on the financial resources (income from work and other sources, savings, and/or assets) of the student's parents, if dependent, or the student and spouse, if independent, as reported in the Free Application for Federal Student Aid (FAFSA) or in an alternative need analysis form approved by the Commission.¶~~
~~(4) "Federal Share". The federal share is based on how much the student or the student's family is expected to receive from the federal government in the form of Federal Pell Grants and assumed federal higher education tax credits, as determined by the Commission. The federal share excludes Federal SEOG awards and other federal grant and scholarship programs.¶~~
~~(5) "State Share". The state share is equal to the standard cost of education minus the sum of the student share, the family share, and the federal share. The state share is the maximum amount that a student may receive as an Oregon Opportunity Grant. If the amount of the state share is less than the minimum award amount, as determined by the Commission, the student will receive no award.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: ORS 348, SB 1552(2024) Section 15~~

REPEAL: 575-031-0023

RULE SUMMARY: This rule is being repealed because the Shared Responsibility Model was never fully implemented. HB 3025 (2025) removed the requirement for the model to be utilized for calculating Oregon Opportunity Grant award amounts.

CHANGES TO RULE:

~~575-031-0023~~
~~Implementation of Shared Responsibility Model~~
~~Effective starting with the 2008-09 academic year, the Shared Responsibility Model shall be the method for determining a student's eligibility for the Oregon Opportunity Grant and the student's annual award amounts. Under this methodology, a qualified student's cost of education is shared with the student, the student's family, the federal government, and the state. The amount of a student's grant is equal the state's share of the student's cost of education, as determined by the Commission, up to the maximum annual award amount for the academic year.~~
~~Statutory/Other Authority: ORS 348~~
~~Statutes/Other Implemented: ORS 348~~

AMEND: 575-031-0025

RULE SUMMARY: This rule describes how award amounts are determined without reference to the removed Shared Responsibility Model. Awards are no longer restricted to a minimum half time enrollment per term requirement. Due to declining state investment in higher education starting in 2008, the Shared Responsibility Model was never fully implemented. Since 2008, under ORS 348.205(8) and OAR 575-031-0025, when available funding is insufficient to cover the state share, HECC calculates a maximum award amount and prioritizes students with the greatest financial need. This is the method will continue to be used to calculate award amounts.

CHANGES TO RULE:

575-031-0025
Opportunity Grant Amount ¶

(1) ~~When available funding is not sufficient to cover the state share, t~~The commission shall calculate awards for all eligible students using a base award amount across all institutional segments. A tuition differential specific to the institutional segment the student is attending shall be added to the base award. Award amounts will be calculated annually based on available funds.¶
(a) The commission shall differentiate awards based on an analysis of student need, provided that awards shall be the highest for qualified students with the greatest financial need within a specific institutional segment.¶
(b) The Commission staff shall review the award tiers of the base and tuition differential each biennium to ensure that combined with other state and federal need-based aid the purchasing power of the highest need students is equitable and consistent across segments.¶
(c) The cost of tuition for the tuition differential is based on the standard cost of education defined in OAR 575-030-0005. The tuition differential for each institutional segment is based on the average of the standard tuition costs for all participating institutions within an institutional segment, except all public and private independent 4-year institutions use the average of the standard costs for public 4-year institutions.¶
(2) If the funding or participation level for the program changes after award amounts are determined for an academic year, the commission may adjust base award or tuition differential components or both variables. The Commission shall, to the extent possible, reasonably make proportional adjustments of awards between institutional segments the Commission had previously set.¶
(3) In the event Commission staff determine that the commission is unable to award students based on the calculations described in sections (1) and (2) of this rule, staff shall submit to the commission one or more proposals for calculating student awards. Upon approval by the commission, staff shall award students according to the approved calculation. Such approval shall be in effect for the biennium of the academic year the approval first applies, unless subsequently altered by the commission.¶
(4) The minimum Oregon Opportunity Grant award shall be $100.¶
(5) Within the funds available, an Oregon Opportunity Grant for a student ~~who is taking from 6 to 11 credit hours in a term or semester shall be 50 percent of~~enrolled less than full-time shall be reduced in proportion to the award made to a full-time student enrolled at the same institution.¶
(6) For concurrently enrolled students, the amount of the Oregon Opportunity Grant will be based on the school disbursing funds, unless otherwise approved by the Commission.¶
(7) In the event that the Commission determines that the total funds available for the Oregon Opportunity Grant program are not sufficient to award the full award amount to all qualified students, the Commission may implement strategies to limit student awards while maintaining awarding priorities as defined in OAR 575-031-0060, including:¶
(a) The Commission may limit awards to only students who are enrolled full~~-time;~~-time, except Students whose statutory rights provide for a legitimate need to attend school for less than full-time may receive a prorated Oregon Opportunity for less than full-time enrollment.¶
(b) The ~~c~~Commission may reduce awards across all levels of student need, provided that the ~~c~~Commission maintains the highest award amounts for qualified students with the greatest financial need within a specific institutional segment;¶
(c) The Commission may prescribe a specific date by which a student must apply to the Commission to qualify for a grant and may prescribe an additional date by which the award must be disbursed to the student by an institution;¶
(d) The Commission may make per capita reductions to future student grants if appropriations are determined to be inadequate to the needs of all eligible students whose applications are received by the announced application deadline for a specific academic year. When future disbursements of student grants are reduced, the Commission

will provide notification it deems adequate, to college and university financial aid offices and affected students.¶
(e) The Commission may base a recipient's maximum authorized award each term on the recipient's fall-term enrollment status if funds are not available to award grants to all qualified students whose applications are received by the announced application deadline for a specific academic year; or¶
(f) The Commission may prioritize awards to qualified students with the greatest financial need or whose circumstances would enhance the promotion of equity guidelines published by the Commission.
Statutory/Other Authority: ORS 348.205
Statutes/Other Implemented: ORS 348.205, SB 1552 (2024) Section 15, ORS 348.260

AMEND: 575-031-0027

RULE SUMMARY: This rule allows for Persistence and Completion Grants to be awarded if there is sufficient funding. The half time enrollment requirement from the removed Shared Responsibility Model has been removed.

CHANGES TO RULE:

575-031-0027
Persistence and Completion
(1) The commission may award funds from the Oregon Opportunity Grant program to qualified students as defined in OAR 575-031-0005 to reward persistence and completion of degree programs at eligible post-secondary institutions as authorized by ORS 348.263, if program funds are available. The commission shall determine potential eligible students from their financial aid application information via a secure portal to eligible post-secondary institutions. The commission may rely on eligible post-secondary institutions to identify candidates who are close to degree completion, have exhausted of other aid, or have financial need as defined in OAR 575-030-0005(4) from the potential list of eligible students. The commission shall provide administrative guidance to the institutions and reporting instructions. Based on available funds, the commission will select eligible recipients and set the award amounts.¶
(2) The commission will prioritize eligible students based on financial need if sufficient funds are not available to award all eligible students submitted from the institutions.¶
(3) Award for persistence and completion may vary in amount from the minimum award amount to the maximum award amount for the current academic year, as determined by the commission. Upon request from the institution, the commission may authorize an award that exceeds the maximum amount allowed for the Oregon Opportunity Grant for the current year if such award is deemed required to support the persistence and completion of a particular student.¶
(4) Award amounts will be prorated for students attending less than full-time~~, but at least half-time~~.
Statutory/Other Authority: ORS 348.205
Statutes/Other Implemented: ORS 348.263

AMEND: 575-031-0030

RULE SUMMARY: This rule outlines the terms and conditions students must meet to be eligible for the grant.

CHANGES TO RULE:

575-031-0030
Conditions of Award ¶

(1) To apply for an Oregon Opportunity Grant, a student must complete and submit the Free Application for Federal Student Aid for each academic year, if eligible to file the application, or submit an alternate need analysis form approved by the Commission for this purpose.¶
(2) Except for ~~sub~~section (~~2~~3) below, the maximum period of Oregon Opportunity Grant eligibility shall not exceed the equivalent of 12 quarters or 8 semesters of full-time enrollment.¶
(3) Students whose statutory rights provide for a legitimate need to extend the maximum period beyond a period equal to 12 quarters or 8 semesters of full-time enrollment remain eligible to receive an Oregon Opportunity Grant until completion of their undergraduate program.¶
(4) The Commission may deny renewal of an award to any student failing to make satisfactory academic progress.¶
(5) No Oregon Opportunity Grant shall be made to any student enrolled in a course of study required for and leading to a degree in theology, divinity, or religious education.¶
(6) No Oregon Opportunity Grant shall be made to any student in default on any federal Title IV loan or owing a refund on federal Title IV funds previously disbursed, unless the institution disbursing funds determines that the student has made satisfactory arrangements to repay and has regained federal eligibility.¶
(7) An Oregon Opportunity Grant recipient must be enrolled in an eligible program as defined in 575-031-0016.¶
(8) An Oregon Opportunity Grant recipient must be an undergraduate student, as defined by the institution disbursing funds.¶
(9) An Oregon Opportunity Grant recipient may apply for renewal of the grant on an annual basis until the student has received grant funding for the maximum period noted in ~~sub~~section (~~1~~2) above. The Commission may not renew the grant if the recipient has not made timely application for renewal of the grant.¶
(10)(a) The Commission will renew an Oregon Opportunity Grant for a second year of attendance if the grant recipient makes a timely application for renewal of the grant, meets academic standards and benchmarks established by the Commission, and continues to meet all other grant eligibility criteria.¶
(b) The Commission may continue to renew the grant after the second year if the grant recipient continues to apply timely and meet all academic and other grant eligibility requirements. Additional requirements may include applying by an established application deadline and meeting academic standards and benchmarks that exceed federal requirements for satisfactory academic progress.
Statutory/Other Authority: ORS 348.205
Statutes/Other Implemented: ORS 348.205, ORS 348.250, ORS 348.260