

House Bill 2855

Sponsored by Representative EVANS (Presession filed.)

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 **as introduced**.

Creates Guaranteed Opportunity Program. Requires Office of Student Access and Completion to administer program. Requires State Workforce and Talent Development Board to monitor program every two years and make recommendations to Legislative Assembly on whether modifications are necessary to enhance state's workforce needs. Establishes that program becomes operative on January 1, 2041.

Establishes Guaranteed Opportunity Program Implementation Fund.

Requires Higher Education Coordinating Commission, on effective date of Act, to begin process of developing policy and rules necessary to implement Guaranteed Opportunity Program. Requires commission to submit report regarding progress on development of policy and rules to committees relating to public finance and higher education during 2022 and 2023 regular sessions of Legislative Assembly.

Establishes Task Force on Implementing Guaranteed Opportunity Program. Requires task force to determine amount of moneys program will need to raise through bonding, determine which current grant and scholarship programs should be repealed on operative date of Guaranteed Opportunity Program and analyze methods for preventing bad faith participation of individuals in program. Sunsets task force on December 31, 2022.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to methods of paying for post-secondary education; and prescribing an effective date.

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

SECTION 1. As used in sections 1 to 6 of this 2021 Act:

(1) **"Covered costs" means the costs of completing a degree program as determined by the Higher Education Coordinating Commission by rule. Covered costs must include:**

(A) Tuition;

(B) Mandatory and incidental fees;

(C) Textbooks and other supplies;

(D) Housing; and

(E) Any other cost of attending a degree program identified by the commission by rule.

(2) **"Degree program" means a degree or certificate program offered by an institution.**

(3) **"Eligible individual" means an individual who seeks to enroll in the Guaranteed Opportunity Program and who:**

(a) Is between 18 and 65 years of age; and

(b)(A) Graduated from a high school in this state; or

(B) During the previous year paid taxes as a resident of this state.

(4) **"Institution" means:**

(a) A public university listed in ORS 352.002;

(b) The Oregon Health and Science University;

(c) A community college operated under ORS chapter 341; or

(d) A career school as defined in ORS 345.010.

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 (5) "Participant" means an eligible individual who is enrolled in a degree program as part
 2 of the Guaranteed Opportunity Program.

3 (6)(a) "Payment period" means the period beginning three months after a participant
 4 completes the Guaranteed Opportunity Program and ending on the date the participant ei-
 5 ther retires or reaches 65 years of age, whichever is later.

6 (b) If an eligible individual enrolls in the Guaranteed Opportunity Program multiple
 7 times, the payment period described in paragraph (a) of this subsection is deferred during
 8 all periods in which the individual is enrolled in the program.

9 (7) "Program" or "Guaranteed Opportunity Program" means the program described in
 10 sections 1 to 6 of this 2021 Act.

11 **SECTION 2.** (1) There is created the Guaranteed Opportunity Program to be administered
 12 by the Office of Student Access and Completion pursuant to rules adopted by the Higher
 13 Education Coordinating Commission.

14 (2) An eligible individual who wishes to enroll in the program shall submit a request in
 15 a manner determined by the commission by rule.

16 (3) After submitting a request, the eligible individual shall meet with a counselor at the
 17 Office of Student Access and Completion and execute an agreement:

18 (a) Stating the institution at which the eligible individual will enroll;

19 (b) Stating the degree program in which the eligible individual will enroll;

20 (c) Setting forth the grade point average and graduation track requirements that the
 21 commission has established by rule for continuing participation in the Guaranteed Opportu-
 22 nity Program; and

23 (d) Stating that in return for the Office of Student Access and Completion paying the
 24 covered costs for the degree program, the eligible individual will repay the office in the
 25 manner set forth in subsections (4) and (5) of this section.

26 (4) In exchange for receiving the covered costs for a degree program, an eligible individ-
 27 ual shall agree to pay to the Office of Student Access and Completion a percentage of the
 28 individual's future adjusted gross annual income during the payment period. The percentage
 29 of future adjusted gross annual income that the individual shall agree to pay is:

30 (a) Two percent, for a degree program that will result in an associate's degree or a cer-
 31 tificate degree;

32 (b) Three percent, for a degree program that will result in a bachelor's degree;

33 (c) Four percent, for a degree program that will result in a master's degree, law degree
 34 or other professional post-baccalaureate degree; and

35 (d) Five percent, for a degree program that will result in a doctorate degree.

36 (5) There is no limit on the number of times an eligible individual may enroll in the
 37 Guaranteed Opportunity Program. If an eligible individual receives multiple certificates or
 38 degrees through the program, the agreement entered into by the individual under subsection
 39 (3) of this section shall require the individual to repay the Office of Student Access and
 40 Completion at the rate required for the highest level degree obtained by the individual under
 41 the program, as set forth in subsection (4) of this section.

42 (6) In addition to the requirements set forth in subsection (3) of this section, the com-
 43 mission may by rule require participants in the Guaranteed Opportunity Program to preau-
 44 thorize the Office of Student Access and Completion, the federal Internal Revenue Service
 45 or any other entity in this or any other state to provide data on the participant necessary

1 to verify the participant's income or to impose any appropriate conditions of payment during
 2 the payment period.

3 (7) Data compiled by the office on participants in the program shall be recorded in an
 4 aggregate format and the office may not publicly release any information containing personal
 5 information about a participant.

6 (8) Any personal information obtained by the office for the purpose of administering the
 7 program may not be disclosed as a public record under ORS 192.311 to 192.478.

8 (9) The commission may make any additional rules necessary to implement this section.

9 **SECTION 3.** (1) The Office of Student Access and Completion shall use moneys from the
 10 Guaranteed Opportunity Program Implementation Fund established in section 6 of this 2021
 11 Act to pay all covered costs for participants in the Guaranteed Opportunity Program.

12 (2) The office may enter into arrangements and agreements with institutions to deter-
 13 mine the schedule and method of disbursements made under subsection (1) of this section.

14 (3) The Higher Education Coordinating Commission may make rules to implement this
 15 section.

16 **SECTION 4.** (1) The Higher Education Coordinating Commission shall by rule determine
 17 the payment schedule and method of payment of covered costs for each participant in the
 18 Guaranteed Opportunity Program.

19 (2)(a) During each tax year of the payment period, the Director of the Department of
 20 Revenue shall provide the Office of Student Access and Completion with income tax data for
 21 the participant and the participant's household.

22 (b) The office and the director may enter into an agreement to determine the schedule
 23 and method of providing the information required by this subsection.

24 (3) If the participant does not reside in this state, the office may enter into agreements
 25 with the federal Internal Revenue Service or government entities in other states in order to
 26 verify the income of the participant and the participant's household.

27 (4) If the office determines that a participant has failed to remit the required payments
 28 within a reasonable period of time, the office may take any action the office considers nec-
 29 essary to collect any amounts due, including but not limited to:

30 (a) Informing the director about the participant's delinquency and having the director
 31 assign a deficiency to the participant's income tax payments for the appropriate amount,
 32 including any administrative costs; or

33 (b) Contracting with a collections agency to collect any amounts due, including any ad-
 34 ministrative costs.

35 (5) The commission may make rules to implement this section.

36 **SECTION 5.** (1) Every two years the State Workforce and Talent Development Board
 37 shall analyze the state's workforce needs and recommend whether the state workforce would
 38 benefit from changing the percentages of future income that participants in the Guaranteed
 39 Opportunity Program are required to pay under section 2 of this 2021 Act. The analysis
 40 conducted under this subsection may include an examination of whether the state's
 41 workforce needs would benefit from changing the percentages paid by participants in certain
 42 programs or majors, but not in others.

43 (2) By September 15 of each even numbered year, the board shall submit a report in the
 44 manner provided by ORS 192.245 to the interim committees of the Legislative Assembly re-
 45 lated to higher education. The report shall summarize the board's analysis and recommen-

1 **datations, including recommendations for legislation.**

2 **SECTION 6. (1) The Guaranteed Opportunity Program Implementation Fund is estab-**
3 **lished in the State Treasury, separate and distinct from the General Fund. Earnings on**
4 **moneys in the Guaranteed Opportunity Program Implementation Fund must be credited to**
5 **the fund.**

6 **(2) Moneys in the fund are continuously appropriated to the Higher Education Coordi-**
7 **inating Commission for the purpose of financing and administering the Guaranteed Opportu-**
8 **nity Program established under sections 1 to 6 of this 2021 Act.**

9 **(3) The commission shall deposit in the fund:**

10 **(a) Amounts appropriated or otherwise provided by the Legislative Assembly for deposit**
11 **in the fund;**

12 **(b) Amounts resulting from the issuance of bonds for deposit in the fund;**

13 **(c) Gifts, devises or bequests received by the commission for the purpose described in**
14 **subsection (2) of this section or received for the purpose of providing student assistance and**
15 **not directed to a particular fund or account; and**

16 **(d) Moneys received as repayment of or in exchange for the grant or loan of moneys in**
17 **the fund.**

18 **SECTION 7. (1) The Task Force on Implementing the Guaranteed Opportunity Program**
19 **is established.**

20 **(2) The task force consists of 13 members appointed as follows:**

21 **(a) The President of the Senate shall appoint two nonvoting members from among**
22 **members of the Senate.**

23 **(b) The Speaker of the House of Representatives shall appoint two nonvoting members**
24 **from among members of the House of Representatives.**

25 **(c) The State Treasurer shall appoint one voting member with expertise in state bonding.**

26 **(d) The executive director of the Higher Education Coordinating Commission shall ap-**
27 **point:**

28 **(A) One voting member to represent the Office of Student Access and Completion; and**

29 **(B) One voting member to represent the interests of career schools as defined in ORS**
30 **345.010.**

31 **(e) The presidents of the University of Oregon, Oregon State University and Portland**
32 **State University shall jointly select one voting member to represent the universities' inter-**
33 **ests.**

34 **(f) The presidents of the Oregon Institute of Technology, Eastern Oregon University,**
35 **Western Oregon University and Southern Oregon University shall jointly select one voting**
36 **member to represent the universities' interests.**

37 **(g) The presidents of community colleges operated under ORS chapter 341 shall jointly**
38 **select one voting member to represent the interests of community colleges.**

39 **(h) The Oregon Student Association shall appoint one voting member to represent the**
40 **interests of students in this state.**

41 **(i) The Governor shall appoint two voting members from this state.**

42 **(3) The task force shall:**

43 **(a) Determine the amount of moneys the Guaranteed Opportunity Program will need to**
44 **raise through bonding to be able to fully fund all eligible individuals who seek to enroll in the**
45 **program beginning in 2041;**

1 (b) Determine the amount of moneys the Guaranteed Opportunity Program will need to
 2 raise on an annual basis beginning in 2041 in order to fund all eligible individuals who seek
 3 to enroll in the program;

4 (c) Analyze whether the percentages of future income that participants in the Guarante-
 5 ted Opportunity Program are required to pay under section 2 of this 2021 Act need to be
 6 amended;

7 (d) Analyze methods for preventing the bad faith participation of individuals in the
 8 Guaranteed Opportunity Program; and

9 (e) Review currently offered grant and scholarship programs and determine which pro-
 10 grams should be repealed as unnecessary in 2041.

11 (4) The task force may suggest legislation to supplement implementation of the Guarante-
 12 ted Opportunity Program.

13 (5) A majority of the voting members of the task force constitutes a quorum for the
 14 transaction of business.

15 (6) Official action by the task force requires the approval of a majority of the voting
 16 members of the task force.

17 (7) The task force shall elect one of its members to serve as chairperson.

18 (8) If there is a vacancy for any cause, the appointing authority shall make an appoint-
 19 ment to become immediately effective.

20 (9) The task force shall meet at times and places specified by the call of the chairperson
 21 or of a majority of the voting members of the task force.

22 (10) The task force may adopt rules necessary for the operation of the task force.

23 (11) The task force shall submit a report in the manner provided by ORS 192.245, and
 24 may include recommendations for legislation, to the interim committees of the Legislative
 25 Assembly related to higher education no later than September 15, 2022.

26 (12) The Higher Education Coordinating Commission shall provide staff support to the
 27 task force.

28 (13) Members of the Legislative Assembly appointed to the task force are nonvoting
 29 members of the task force and may act in an advisory capacity only.

30 (14) Members of the task force who are not members of the Legislative Assembly are not
 31 entitled to compensation or reimbursement for expenses and serve as volunteers on the task
 32 force.

33 (15) All agencies of state government, as defined in ORS 174.111, are directed to assist
 34 the task force in the performance of the task force's duties and, to the extent permitted by
 35 laws relating to confidentiality, to furnish information and advice the members of the task
 36 force consider necessary to perform their duties.

37 SECTION 8. Section 7 of this 2021 Act is repealed on December 31, 2022.

38 SECTION 9. Sections 1 to 5 of this 2021 Act become operative on January 1, 2041.

39 SECTION 10. Notwithstanding section 9 of this 2021 Act, the Higher Education Coordi-
 40 nating Commission shall, on the effective date of this 2021 Act, begin the process of devel-
 41 oping the policy and rules necessary to implement sections 1 to 6 of this 2021 Act.

42 SECTION 11. Notwithstanding section 9 of this 2021 Act, the Higher Education Coordi-
 43 nating Commission shall submit a report on the progress the commission has made in de-
 44 veloping the policy and rules necessary to implement sections 1 to 6 of this 2021 Act to the
 45 committees of the Legislative Assembly relating to public finance and higher education dur-

1 **ing the 2022 and 2023 regular sessions of the Legislative Assembly.**

2 **SECTION 12. Section 11 of this 2021 Act is repealed on January 2, 2024.**

3 **SECTION 13. This 2021 Act takes effect on the 91st day after the date on which the 2021**
4 **regular session of the Eighty-first Legislative Assembly adjourns sine die.**

5
