



# Presentation to Massachusetts Department of Higher Education

Oded Gurantz, University of Colorado



School of Education  
UNIVERSITY OF COLORADO BOULDER

# Goals of this presentation

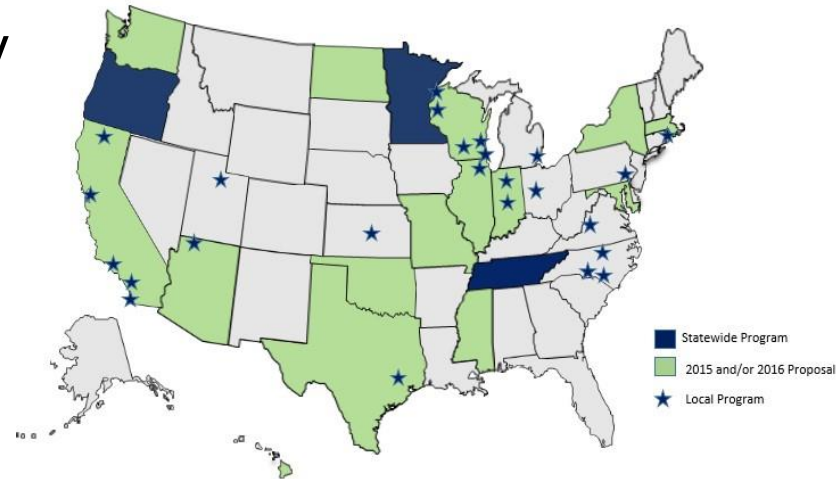
- Dr. Oded Gurantz, Assistant Professor, School of Education, University of Colorado
  - Assistant Professor, Truman School of Public Affairs, University of Missouri
  - Associate Policy Research Scientist, College Board
  - Fellow, Office of Evaluation Sciences, General Services Administration



- Discuss prior research on the Oregon Promise
- Share some broader lessons from research literature

# “Free” community college movement

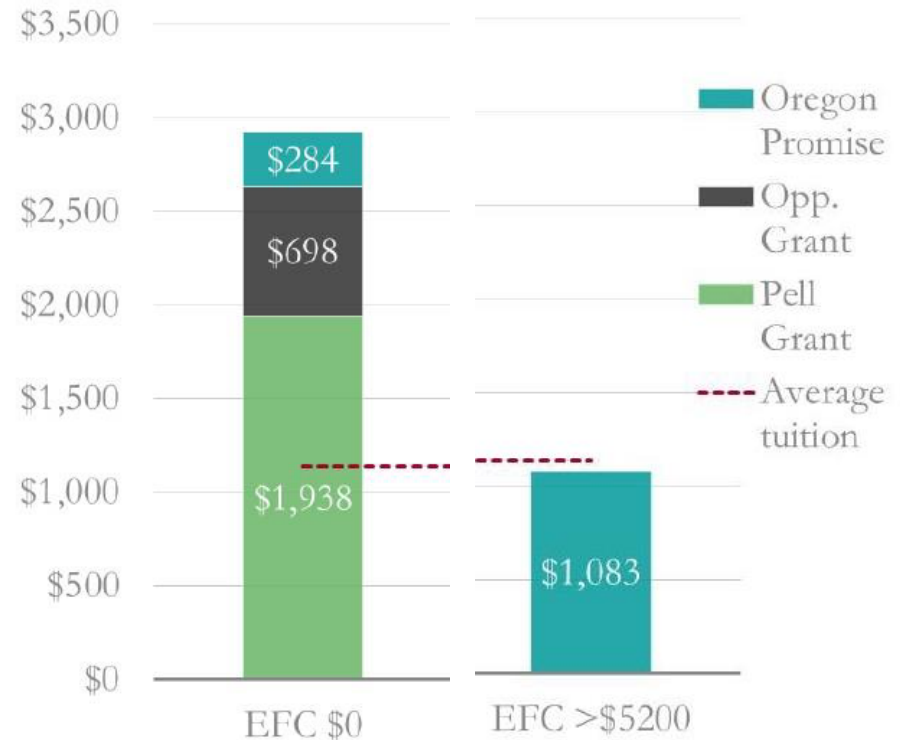
- Oregon adopted “free” community college for high school class of 2016
- 19% of ~35,000 HS graduates received a Promise award
- Administrative steps
  - 2.5 GPA, enroll in CC within 6 months, complete FAFSA
  - Apply through Office of Student Access and Completion (OSAC) portal
  - Counselor or student must submit GPA



# Who theoretically receives aid?

- Last-dollar scholarship up to ~\$3,400 annually
- Minimum payment of \$1,000 annually for those whose “needs are met”

Figure 1.1. Sample state/federal awards, (12-credit student, per term).

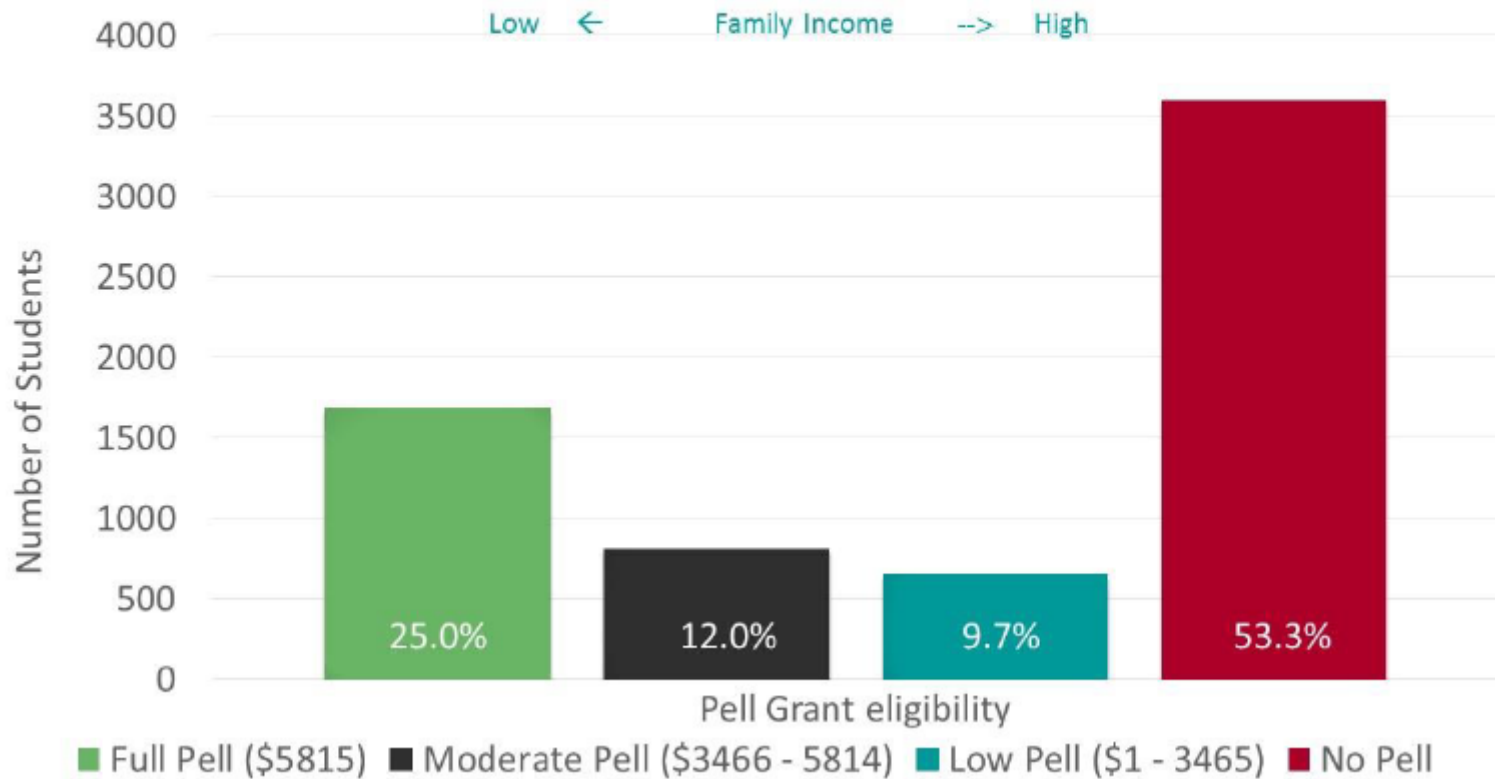


Source: SENATE BILL 81 LEGISLATIVE REPORT: **The First Term of the Oregon Promise, December 2016**

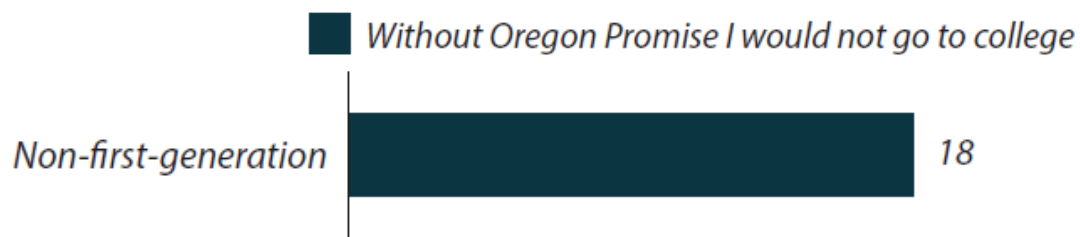


# Who actually receives aid?

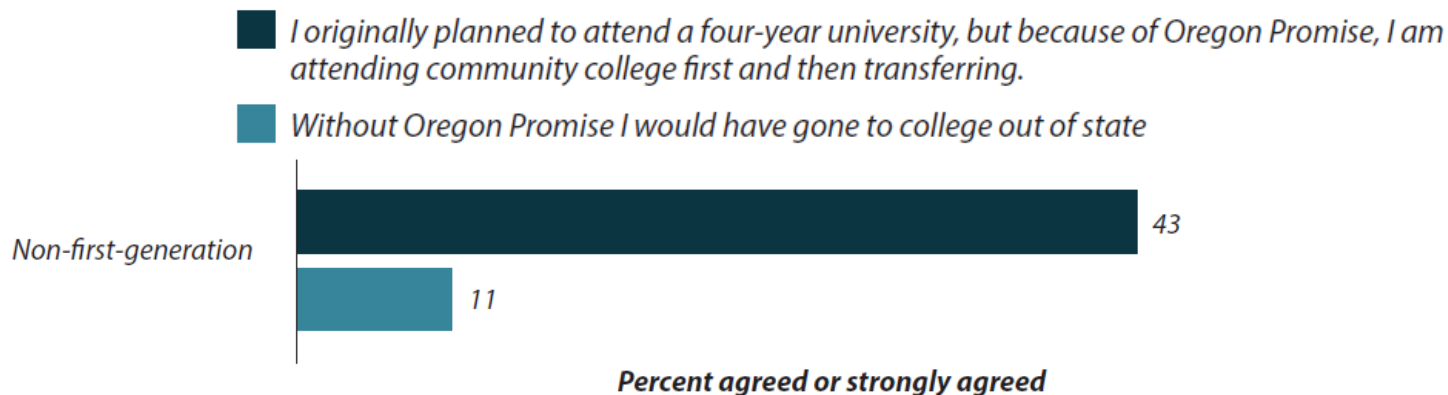
Figure 2.1. Distribution of Oregon Promise awards by eligibility for Pell grant eligibility and size, fall 2016.



**Figure 3. Oregon Promise's impact on recipients' decisions on whether to go to college**



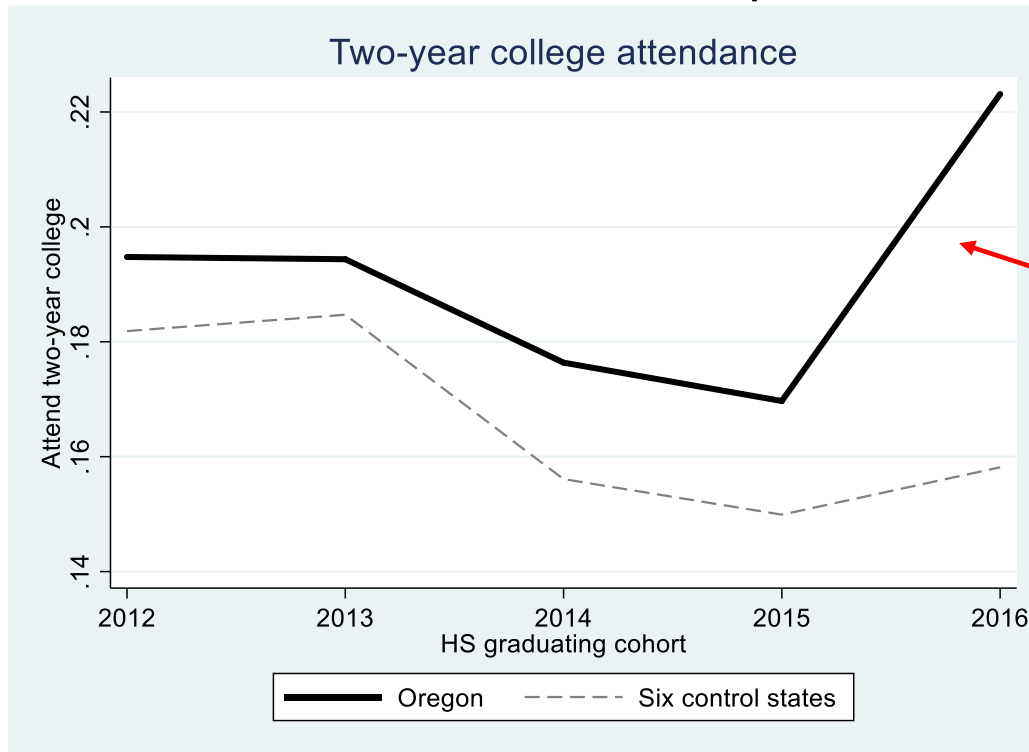
**Figure 4. Oregon Promise's impact on recipients' decisions on where to go to college**



[Hodara, Petrokubi, Pierson, Vazquez, & Yoon, 2017](#)

# Overall Results

- Compare Oregon to comparison states that offered 10<sup>th</sup> grade PSAT in public schools (FL, GA, IN, ME, NV, NM)
  - Linked to national data on postsecondary enrollment



Large jump in community college enrollment in the 2016 cohort of ~4 percentage points

Approximately 5 percentage points in 2017

# More Nuanced Results

- First year: About 70% of the increase in CC enrollment came from a decline in four-year college enrollment
  - Shifting students from four-year colleges into two-year colleges lowers graduation rates (Mountjoy, 2022; Cohodes & Goodman, 2014; Goodman, Hurwitz, & Smith, 2017; Long & Kurlaender, 2009)
- Second year: Close to 90% of the increase came from an actual increase in college enrollment
- Largest increases in overall enrollment for Black and Hispanic students
- Largest declines in four-year enrollment among White, Asian, and higher scoring PSAT students



# When does aid work?

- Relieves short-term credit constraints
- Provides clear signal of affordability and minimizes informational biases
  - Neediest students typically over-estimate the (net) cost of college, especially with opaque aid programs
  - Promise programs generally increase salience of the aid by being trusted and **having a simple message**
- Minimizes behavioral biases (e.g., procrastination)
  - Fewer administrative forms/burdens increases effectiveness
  - Programs that include frequent support to complete applications tend to improve outcomes

# When does aid not work?

- Shifts students towards institutions with fewer resources
  - TN focused on two-year colleges and likely decreased bachelor's degree completion
- Poor targeting or insufficient funds
  - Criticism of last-dollar scholarships or tax credits that target fewest \$ to lowest-income students
  - In the 2<sup>nd</sup> cohort of Oregon Promise the state imposed a maximum EFC threshold that limited funds towards wealthier families
  - Research to date shows little impacts of aid for older students
- "Captured" by competing institutions (e.g., for-profits)

# Questions?

