

Rule Impact Statement
Title 610. State Regents for Higher Education
Chapter 25. Student Financial Aid and Scholarships
Emergency Rules under OKLA. ADMIN. CODE

This Rule Impact Statement has been prepared pursuant to 75 O.S.Supp.2025, § 253(B).

I. Statement of need and legal basis

These proposed rules are necessary to comply with the changes to 70 O.S. §§ 2603 and 2605 made by House Bills 1727 and 1096. These bills became effective on July 1, 2025.

II. Classification of the rule(s) and justification for classification.

Major rules. The estimated costs of awards will likely exceed \$1,000,000 over the initial five-year period following promulgation of the proposed rule. Award cost estimates are in Section VI below.

III. Description of the proposed rule(s).

The proposed rule revisions address the following issues to implement the changes created by House Bills 1727 and 1096:

Expanding the Application Window

The rules change the Oklahoma's Promise application submission deadline to December 31 of a student's senior year of high school.

Teacher Eligibility Track

The rules create a new eligibility track for children of certified classroom teachers. Children of traditionally or alternatively certified classroom teachers can enroll in the program if their family's household income is less than seven hundred percent (700 percent) of the federal poverty level (FPL).

Students will qualify for this track if one of their parents is traditionally or alternatively certified as a teacher in Oklahoma and employed in an Oklahoma public school district no less than ten years prior to the time of application submission. The ten years of certification and service do not need to be consecutive or at the same school district. School administrators will not qualify as certified classroom teachers for the program. Teachers must currently be employed at the time the application is submitted and remain teaching prior to any award distribution each year in which their child is enrolled at a college, university, or career technology institution. Parents will be asked to provide verifying documentation of their employment and certification record.

Students enrolled under this eligibility track will also be subject to the second income check. However, instead of the \$100,000 limit set for all other Oklahoma's Promise recipients, these students' household income must remain under the seven hundred percent (700 percent) FPL at the time they were enrolled in the program.

Age Parameters

The rules change the age requirements of the program, prohibiting a student 21 years of age or older to be considered a high school student.

Exception Process

The rules add an exception process for those who are unable to submit an application prior to December 31 of their senior year. The exception process will be on the basis of hardship circumstances and will allow students until February 1 of their senior year to request an exception.

CLT Exam

The rules add the CLT exam as a qualifying option to this list. Students must have a CLT equivalent score of a 22 on the ACT. However, only CLT exams taken at an independently-run testing center operated by the CLT or any physical location where means of education are provided will qualify.

Federal Law

The rules are not mandated by federal law or a requirement for participation in, or implementation of, a federally subsidized or assisted program.

IV. Description of the classes of persons who most likely will be affected by the proposed rule(s), including classes that will bear the costs of the proposed rule(s), and any information on cost impacts received by the agency from any private or public entities.

The proposed rule changes will affect the OSRHE, the institutions comprising the Oklahoma State System of Higher Education, public technology center schools, accredited private institutions of higher education, certified classroom teachers and students. Other than the Fiscal Impact statements prepared by the Oklahoma Legislature for House Bills 1727 & 1096 and published on the Legislature's website, no information on cost impacts has been received by OSRHE from any private or public entities.

V. Description of the classes of persons who will benefit from the proposed rule(s).

The proposed rule changes will benefit OSRHE, the institutions comprising the Oklahoma State System of Higher Education, public technology center schools, accredited private institutions of higher education, certified classroom teachers and students.

VI. Comprehensive analysis of the rules' economic impact.

The total estimated additional cost of awards for 25 additional students each year over 5 years would be \$1,784,941. The total estimated additional cost of awards for 50 additional students each year over 5 years would be \$2,799,110. The total estimated additional cost of awards for 100 additional students each year over 5 years would be \$4,056,681. The total estimated additional cost of awards for 200 additional students each year over 5 years would be \$8,113,364. The total estimated additional cost of awards for 300 additional students each year over 5 years would be \$12,631,221. The total estimated additional cost of awards for 400 additional students each year over 5 years would be \$16,226,728. The total estimated additional cost of awards for 500 additional students each year over 5 years would be \$20,283,411. The total estimated additional cost of awards for 1,000 additional students each year over 5 years would be \$40,566,842.

VII. Detailed explanation of methodology and assumptions used to determine the economic impact.

To determine these projections, OSRHE took several considerations into account:

- Number of students enrolled in the Oklahoma's Promise pipeline according to graduation year,
- Number of students currently receiving Oklahoma's Promise as college students and when they are supposed to age-out,
- Average percentage of students who apply for Oklahoma's Promise and complete the eligibility requirements,
- College choice trends for Oklahoma's Promise students,
- Average college retention rates,
- Average college persistence rates, and
- Potential increases in tuition rate costs.

Calculating the figures above is a little less precise than what we do for our annual cost estimate in October, which uses more exact figures based on that year's population. We used last year's data to calculate this model, including tuition, Oklahoma's Promise completion, and college retention rates. We built the model assuming everything was the same as this time last year, and we added 25, 50, 100, etc. additional students into the college freshman cohort.

VIII. Determination of whether implementation of the proposed rule(s) will have an economic impact on any political subdivisions or require their cooperation in implementing or enforcing the rule(s).

A "political subdivision" is defined as "a county, city, incorporated town or school district within this state" under the Administrative Procedures Act. 75 O.S. § 250.3. Oklahoma public school district budgets could be affected if this program attracts more licensed classroom teachers to Oklahoma public school districts. Implementing or enforcing the rules will require cooperation with Oklahoma public school districts and their employees.

IX. Determination of whether implementation of the proposed rule(s) may have an adverse economic effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act.

After consideration with reference to Section 303(A)(4) and 303(B)(6) of Title 75, it is believed that the proposed rules will have no adverse impact upon Small Business.

X. Measures taken to minimize the cost and impact of the proposed rule on business and economic development in this state, local government units of this state, and individuals.

The proposed rules are not anticipated to have an adverse cost or impact upon business and economic development in this state, local government units of this state, and individuals. Therefore, no such measures were taken.

XI. Determination of the effect of the proposed rule(s) on the public health, safety and environment and, if the proposed rule(s) is/are designed to reduce significant risks to

the public health, safety and environment, an explanation of the nature of the risk and to what extent the proposed rule will reduce the risk.

The proposed rules will have no effect on the public health, safety, and environment.

XII. Determination of any detrimental effect on the public health, safety and environment if the proposed rule(s) is/are not implemented.

No effect on the public health, safety, or the environment will result if the proposed rules are not implemented.

XIII. Date the rule impact statement was prepared and if modified, the date modified.

Prepared by the Oklahoma State Regents for Higher Education on September 4, 2025.
Modified on September 10, 2025.