Rule Impact Statement

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

This Rule Impact Statement has been prepared pursuant to 75 O.S.Supp.2025, § 303(D).

I. Statement of Need and Legal Basis

The proposed rule change updates the reference to the Expected Family Contribution (EFC) to the Student Aid Index (SAI), reflecting the current federal methodology used to assess financial need for student aid eligibility. EFC is no longer the federal methodology used to determine financial aid eligibility through the FAFSA. Under the federal FAFSA Simplification Act, the Student Aid Index (SAI) replaced the Expected Family Contribution (EFC) as the primary measure of financial need. Accordingly, the rule should be updated to reflect the current federal terminology and methodology. This revision will help ensure that OSRHE's award process remains consistent with federal financial aid practices, eliminates reliance on an outdated standard, and provides private and independent institutions with clear guidance regarding the information required when available grant funds are insufficient and awards must be prioritized based on demonstrated financial need.

The legal basis for the proposed rule change is the State Regents' statutory authority to adopt rules governing the administration of the Oklahoma Tuition Equalization Grant Program pursuant to 70 O.S. §§ 3204, 3206, and 2632, and to align with changes to FAFSA, a federally subsidized or assisted program.

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

Nonmajor rule. Annual implementation and compliance costs are not expected to be incurred or passed along because of promulgation of the proposed rule change.

III. Description of the proposed rule(s).

Description of Program

The Oklahoma Tuition Equalization Grant was established by SB 520, creating the Oklahoma Tuition Equalization Grant Act of 2003, which was signed into law on May 12, 2003. The purpose of this program is to provide grant assistance to Oklahoma residents enrolled as undergraduate students in a private or independent institution of higher education in Oklahoma.

Description of Rule

The proposed rule change updates the program to reflect current federal financial aid terminology and methodology by replacing the Expected Family Contribution (EFC) with the Student Aid Index (SAI). The change ensures consistency with federal financial aid practices and provides clear guidance for prioritizing awards based on financial need when funding is limited.

Federal Law

The rule change is required to maintain program consistency with changes to FAFSA, 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 change will affect the OSRHE, the institutions comprising the Oklahoma State System of Higher Education, parents and students. These rule changes are not anticipated to create additional costs for affected classes. No information on cost impacts has been received from any private or public entities.

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

The proposed rule change will benefit OSRHE, the institutions comprising the Oklahoma State System of Higher Education, parents and students.

VI. Comprehensive analysis of the rules' economic impact.

The proposed rule change should have a neutral economic impact and do not involve fee changes.

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

The proposed rule change involves a minor change to reflect current federal financial aid terminology and methodology by replacing the Expected Family Contribution (EFC) with the Student Aid Index (SAI).

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. The proposed rules are not expected to have an economic impact on any political subdivisions and will not require their cooperation for implementing or enforcing these rules.

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 Oklahoma State Regents for Higher Education continue to work with higher education institutions to minimize the administrative burden for awarding the scholarships.

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 rule change 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 rule is not implemented.

XIII. Analysis of Alternatives to Adopting the Rule(s)

The proposed rule change is necessary to comply with changes to current federal financial aid terminology and methodology by replacing the Expected Family Contribution (EFC) with the Student Aid Index (SAI). The change ensures consistency with federal financial aid practices and provides clear guidance for prioritizing awards based on financial need when funding is limited.

XIV. Estimated Time Spent by State Employees to Develop Rule and Other Resources Used in Developing Rule

Development of the proposed amendment required less than one day of state employee time and resources, including legal review, program analysis, drafting revisions, and preparation of rulemaking documents.

XV. Summary and Preliminary Comparison of Any Existing or Proposed Federal Regulations Intended to Address the Activities to be Regulated by Proposed Administrative Rules

The proposed rule change is required to maintain program consistency with changes to FAFSA.

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

Prepared by the Oklahoma State Regents for Higher Education on July 23, 2026.