



Testimony on House Bill 3392
By Jessica Adamson
House Higher Education Committee
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Chair Dembrow and members of the committee, I am Jessica Adamson, representing the Northwest Career Colleges Federation and its Oregon chapter that consists of both degree-granting and certificate-issuing institutions.

House Bill 3392 makes an important statement to students in Oregon's for-profit postsecondary schools – that we, the State of Oregon, will hold in trust the funds in Oregon's Tuition Protection Fund.

Oregon for-profit postsecondary schools are required to contribute to a Tuition Protection Fund that can be used to indemnify students for prepaid tuition or nonperformance by a school. There is no taxpayer money in this fund that was created and maintained for a single purpose: to ensure that if an institution fails, the students are protected.

Despite the origin of the funds, and its purpose, the Oregon legislature "swept" the Tuition Protection Fund during the last economic downturn to help balance the General Fund.

House Bill 3392 changes the name of the Tuition Protection Fund to the Tuition Protection Trust Fund and clearly states the intention not to use the money in the fund for any other purposes. Passage of this bill ensures the protection of for-profit students during times of economic downturn when the funds of the Tuition Protection Fund are most at-risk from legislative "sweeps."

The Northwest Career Colleges Federation urges the adoption of this bill.