



Jubilee Oregon

February 25, 2013

Testimony of Bob Brown, Jubilee Oregon
before the @

Re: HB 2838

Chair Dembrow
Vice Chair Harker
Vice Chair Huffman
Members of the Committee

Jubilee Oregon is a chapter of the Jubilee USA Network, a non-profit advocacy organization that is dedicated to reducing poverty in the world. We focus on the cancellation of odious and illegitimate debt that many developing nations face, thereby freeing up financial resources to serve their own people. We work for the establishment of responsible lending and borrowing practices in the global economic system today. Since we have experience with the consequences of debt to large populations, we bring our expertise to the local issues around foreclosure and student debt.

We were fortunate to have worked with the Working Families Party and Portland State University faculty and students in the research and development of the "Pay it Forward" concepts that address the issues that many students experience due to high amounts of student debt.

We are writing to you in support of *HB 2838- Pay It Forward: Improving higher education access and funding in Oregon*. Pay It Forward restores affordability and access to higher education for this and future generations, by improving economic opportunity and mobility for students from low-income and middle-class families alike.

The economic problem for students has become extreme. Students are graduating with more debt than ever before. Two thirds of Oregon grads are now in debt, at an average of nearly \$25,000 per student. Loans to parents for their children's education have risen 75% since 2005. The average student loan debt for parents is now \$34,000. This is unsustainable for Oregon working families, and for our nation's economy.

The Pay It Forward solution offers students access to higher education without debt. Students at public universities and community colleges would pay no tuition up-front. In exchange, they would agree to pay a small percentage of their income (1.5% for community college, or 3% for a 4 year school) for 20 years to "pay forward" the cost of instruction for the next generation of students.

Jubilee Oregon supports the passage of HB2838. This legislation would establish a working group that will be able to research the feasibility of such an approach and will answer some of the policy questions that must be addressed to take this proposal forward. Supporting this legislation is an easy step with little cost and risk. And we believe there is a tremendous upside to developing a sustainable funding model to support student education.

Please support HB2838 and higher education in Oregon.

Thank you for your consideration,

Bob Brown,
Convener, Jubilee Oregon

We invite you to learn more about Jubilee Oregon and the national body, Jubilee USA Network. Check out www.jubileeoregon.org and www.jubileeusa.org.