

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by Prior Reference
Vote:	9 - 0 - 0
Yeas:	Gallegos, Gilliam, Gorsek, Greenlick, Harker, Huffman, Johnson, Whisnant, Dembrow
Nays:	0
Exc.:	0
Prepared By:	Victoria Cox, Administrator
Meeting Dates:	4/3, 4/15

WHAT THE MEASURE DOES: Directs Higher Education Coordinating Commission (HECC) to conduct study on freezing tuition increases for incoming undergraduate students at public universities and report findings to interim legislative committees no later than September 30, 2013. Directs Oregon Education Investment Board (OEIB), Oregon University System (OUS) and Department of Community Colleges and Workforce Development (CCWD) to propose “Pay Forward, Pay Back” pilot program to replace current system of tuition and fees required to attend institutions of higher education and establish program criteria. Requires submission of proposal to Seventy-eighth Legislative Assembly for approval. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Western Promise tuition guarantee program at Western Oregon University
- Impact on admissions of higher tuition for entering freshmen
- Addition of provisions originally proposed in HB 2838 proposing “Pay Forward, Pay Back” program

EFFECT OF COMMITTEE AMENDMENT: Directs Oregon Education Investment Board (OEIB), Oregon University System (OUS) and Department of Community Colleges and Workforce Development (CCWD) to propose “Pay Forward, Pay Back” pilot program to replace current system of tuition and fees required to attend institutions of higher education and establish program criteria. Requires submission of proposal to Seventy-eighth Legislative Assembly for approval.

BACKGROUND: House Bill 3472-A directs the Higher Education Coordinating Commission (HECC) to conduct a study on whether public universities can successfully implement a tuition freeze that will guarantee incoming students the same tuition rate for four years. The study must include an analysis of Western Oregon University’s “Western Tuition Promise” and the “Finish in Four” program proposed in Florida as well as ways to mitigate the financial strain on universities. HECC is to report the findings and recommendations to interim legislative committees on higher education no later than September 30, 2013.

“Pay Forward, Pay Back” refers to a system of financing post-secondary education whereby, in lieu of paying tuition or fees, students sign a binding contract to pay the State of Oregon or the institution a certain percentage of annual adjusted gross income for a specified number of years following graduation. Additionally, House Bill 3472-A directs OEIB, OUS and CCWD to develop a proposal for a pilot program to be submitted to the 2015 Legislative Assembly for approval and implementation.