

# House Bill 2838

Sponsored by COMMITTEE ON HIGHER EDUCATION AND WORKFORCE DEVELOPMENT

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Directs Oregon Education Investment Board, Oregon University System and Department of Community Colleges and Workforce Development to propose "Pay Forward, Pay Back" pilot program to replace current system of tuition and fees required to attend institution of higher education. Sets criteria for pilot program proposal.

Requires proposal to be submitted to Seventy-eighth Legislative Assembly for approval.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to Pay Forward, Pay Back pilot program; and declaring an emergency.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. (1) The Oregon Education Investment Board, Oregon University System and**  
5 **Department of Community Colleges and Workforce Development shall jointly create a pro-**  
6 **posed pilot program called "Pay Forward, Pay Back." The pilot program shall be designed to**  
7 **replace the current system of charging students tuition and fees for enrollment at insti-**  
8 **tutions of higher education. The proposal shall identify one or more institutions of higher**  
9 **education to participate in the pilot program.**

10 (2) The proposed pilot program shall be submitted to the Seventy-eighth Legislative As-  
11 ssembly for approval.

12 (3) The pilot program shall:

13 (a) Allow students who are residents of this state, as defined by the institution, and who  
14 qualify for admission to the institution to enroll in the institution without paying tuition or  
15 fees.

16 (b) Provide that, in lieu of paying tuition or fees, students must sign binding contracts  
17 to pay to the State of Oregon or the institution a certain percentage of the student's annual  
18 adjusted gross income upon graduation from the institution for a specified number of years.

19 (4) The pilot program may vary by institution depending on:

20 (a) The total cost of education at the institution.

21 (b) The portion of the cost that is paid by the State of Oregon.

22 (c) The number of years specified in the contract.

23 (d) The percentage of adjusted gross income specified in the contract.

24 (5) The pilot program shall be uniformly applied at each participating institution.

25 (6) The pilot program proposal shall specify the number of years and the percentage of  
26 annual adjusted gross income for contracts at each participating institution and base the  
27 specifications on research to date.

28 (7) The proposal shall establish an immediate funding source for the first 15 to 20 years  
29 of the pilot program and must include the establishment of a revolving fund to deposit pay-

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **ments made under the pilot program.**

2 **SECTION 2. Section 1 of this 2013 Act is repealed on June 30, 2015.**

3 **SECTION 3. This 2013 Act being necessary for the immediate preservation of the public**  
4 **peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect**  
5 **on its passage.**

6

---