

Testimony of Cara Shufelt,  
Executive Director of the Rural Organizing Project  
In Support of HB 2662  
House Committee on Higher Education  
March 6, 2015

Chair Read and Members of the Committee: My name is Cara Shufelt. I am the Executive Director of the Rural Organizing Project. The Rural Organizing Project started in 1992 based in grassroots human dignity groups in rural counties throughout Oregon. Since then we have grown to where we now have 49 groups in 28 counties.

One of ROP's primary focuses is on economic justice. Beginning in the late 1970's, Oregon's rural economy entered a tailspin that it has not emerged from to this day. The recession of the early 80's was a true depression in timber-dependent communities. Tens of thousands of high-paying union jobs disappeared as lumber and paper mills closed and logging operations shut down. Small businesses went bankrupt and main streets began to atrophy. The timber economy had supported a prosperous small-town lifestyle since the end of World War II.

The 2008 recession simply exacerbated an already desperate situation for many rural counties and for many rural families. The state's political leadership meanwhile has been exhorting those who are out of work, whether older workers or those just graduating from high school, to go to college; that the answer to our unemployment crisis in rural Oregon is more education.

You all adopted the goal of having 40% of all Oregonians graduate from a four year university, and another 40% from a community college. But you have not stepped up to increase your funding for higher education; in fact you have allowed tuition to climb ever higher at the state's community colleges and universities. And you haven't done much to help prospective students, especially those in rural Oregon, find a way to pay for the college we keep telling them is the key to a brighter future.

As *The Oregonian* reported recently, student loan default rates are alarmingly high, especially at our rural community colleges, with Klamath, Umpqua and Lane Community Colleges risking losing all access to federal student loan programs because of their high default rates. No one takes out loans lightly, and with student loans, there is no option of discharging your loan in bankruptcy. Default will follow you all your life, and make it impossible for you to buy a car, much less a house, and certainly destroying any dream of starting a small business.

What is the answer? Do we tell our students not to go to college after all, or at least not unless they or their parents have saved enough money to pay for it? How are they supposed to save the money if there are no jobs to be had without a college degree? We owe our rural population more respect and help than that.

Pay It Forward offers a reasonable, sensible solution. No one is asking for a free ride, but neither do they want to risk default. With Pay It Forward, as outlined in HB 2662, they will have the opportunity to get on their feet, find decent work, and will pay forward, literally, into a fund for future students to have the same opportunity.

I urge you all to offer some concrete support and encouragement to the students in rural Oregon and support the Pay It Forward pilot program. Thank you.