



Pay it Forward Pilot Program

HOUSE BILL 2662

House Bill 2662

78th OREGON LEGISLATIVE ASSEMBLY—2015 Regular Session

House Bill 2662

Sponsored by Representative SMITH WARNER, Senator DEMBROW, Representatives WILLIAMSON, BUCKLEY,
Representative GORSEK (Pression filed.)

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.

Establishes Pay It Forward program. Requires Higher Education Coordinating Commission to establish parameters of program by rule and for Office of Student Access and Completion to administer program.

Establishes Pay It Forward Implementation Fund.
Specifies that Pay It Forward program may only proceed if office determines there are sufficient moneys in fund. Permits office to implement limited scope pilot program.

A BILL FOR AN ACT

- 1 Relating to Pay It Forward program.
2
3 **Be It Enacted by the People of the State of Oregon:**
4 **SECTION 1.** As used in sections 1 to 6 of this 2015 Act:
5 (1) "Applicant" means an individual who has applied to be a participant in the Pay It
6 Forward program by submitting an application to the Office of Student Access and Com-
7 pletion.
8 (2) "Covered costs" means the costs of higher education designated by rule by the Higher
9 Education Coordinating Commission to be paid by the Pay It Forward program.
10 (3) "Institution" means an accredited institution of higher education that the Higher
11 Education Coordinating Commission has declared eligible to receive payments from the Of-
12 fice of Student Access and Completion through the Pay It Forward program.
13 (4) "Participant" means a successful applicant who is accepted as a student into the Pay
14 It Forward program by the Office of Student Access and Completion.
15 (5) "Payment period" means the period of time established by rule by the Higher Educa-
16 tion Coordinating Commission relative to each participant, during which participants remit
17 a percentage of their gross annual income to the office in order to pay for participating in
18 the program.
19 (6) "Program" or "Pay It Forward program" means the program described in sections 1
20 to 6 of this 2015 Act.
21 **SECTION 2.** (1)(a) The Higher Education Coordinating Commission shall by rule establish
22 eligibility requirements for applicants and institutions to participate in the Pay It Forward
23 program.
24 (b) As part of the Pay It Forward program eligibility requirements, the commission may
25 by rule require applicants to agree to release information relating to income, educational
26 attainment and other demographic information to the Office of Student Access and Com-
27 pletion.
28 (2) The commission shall by rule establish a process for selecting applicants for partic-

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

LC 1613

- Establishes OSAC rulemaking authority regarding application. *(Sections 1-2)*
- Procedures and rulemaking authority for making and accepting payment. *(Sections 3-4)*
- Establishes Pay It Forward Implementation Fund, with broad receipts authority. *(Section 5)*
- Provides that Sections 1-4 only take effect once the implementation fund is sufficient to support a pilot program. *(Section 6)*

2014

House Bill 3472: Pay It Forward



A report to the Oregon Higher Education
Coordinating Commission
From the Pay It Forward Workgroup

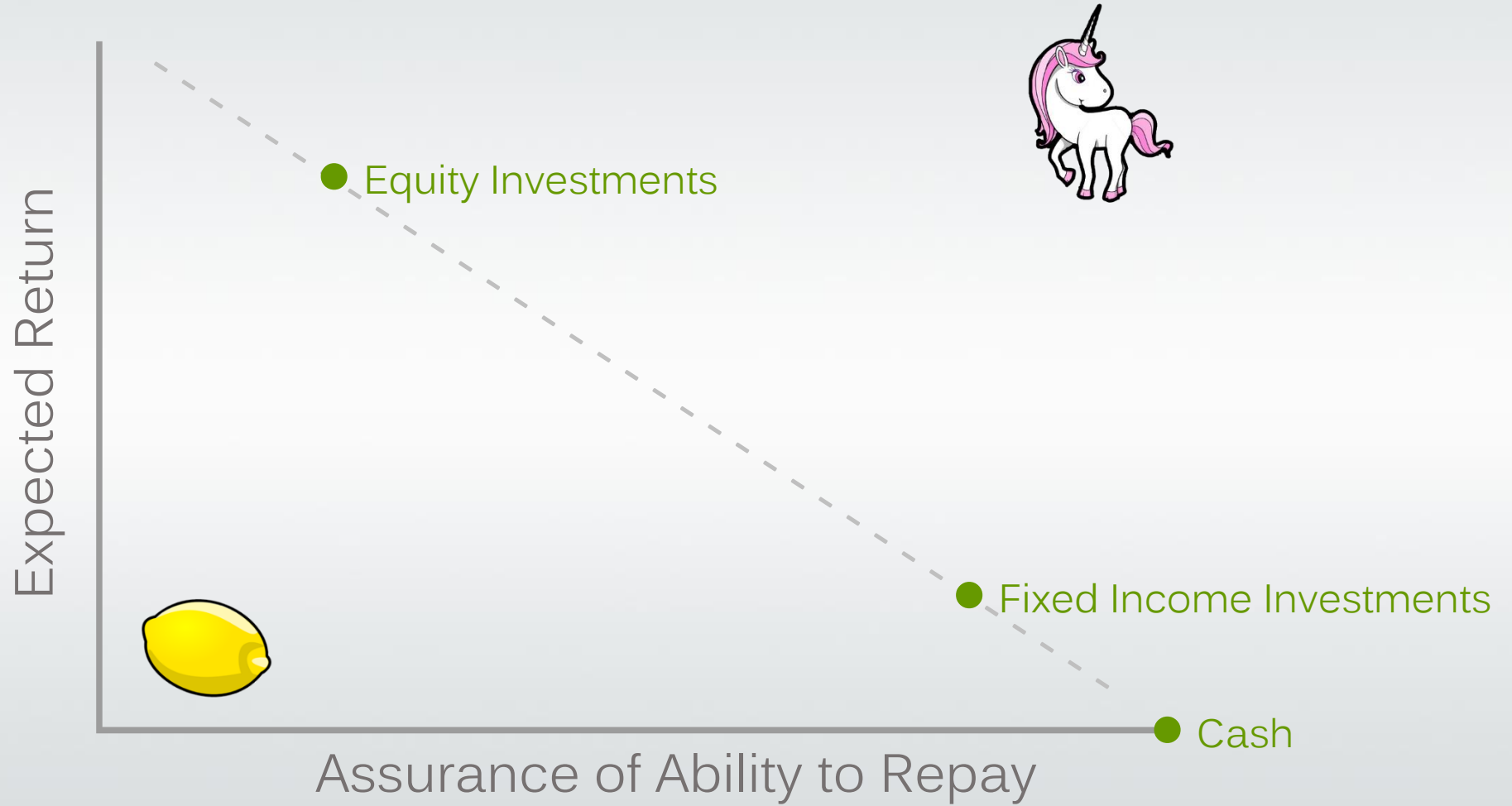
Additional Options for Students



Traditional Loans

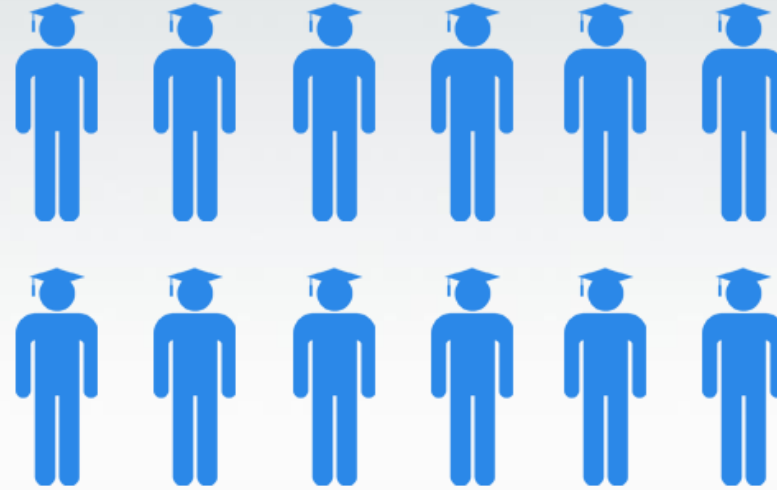
Pay It Forward

Economic Value of Risk Mitigation



Data Collection

Applicant Pool



Non-participants

Participants

Initial Financing

Program costs in millions per biennium

Participants/yr:	1000	600	400
Years 1-2	\$ 19.2	\$ 11.7	\$ 7.8
Years 3-4	\$ 36.8	\$ 22.2	\$ 14.9

(Based on a weighted average tuition among OUS campuses and community college campuses.)

Source: HECC Report from Pay It Forward Workgroup



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