

PORTLAND STATE UNIVERSITY

Department of Sociology

IN FAVOR OF PAY IT FORWARD PILOT

To: The Legislative Committee considering HB 2662

From: Bob Liebman

Professor of Sociology

& Presiding Officer, PSU Faculty Senate*

I am writing to add my voice to those of many of my colleagues, my friends and neighbors, and above all, my students who to have come to know and support the launch of Pay It Forward in Oregon.

The time is right. After a twenty-year disinvestment in public higher education in Oregon, students are being priced out of public higher education. University of Oregon tuition as a share of Oregon median income has grown from 10% to more than 25%. No longer is possible for students to pay as they go, by combining a full-time summer job with part-time earnings during the school year. Roughly 70% of PSU students take loans, averaging \$28,000. Many students from poor families with little or no savings for college see the widening gap between rising tuition and their earnings and financial aid. They balk at the risk of taking on loans and, doing so, exclude themselves from college.

I know from my classes that students who realize that you can no longer pay as you go find Pay It Forward appealing. Rather than taking on loans with high interest, they are willing to make the commitment to repay the state's investment in them through the program.

Launching a pilot program for Pay It Forward simply makes good sense. It is solution that can be implemented without long delays with revenue from multiple sources. In the next four years, it will open the way for three to four thousand students to get the higher education

that they seek in order for them to get the jobs that Oregon must fill in a knowledge-based economy. The alternative is that those jobs will leave or that others from outside the state will fill them.

Pay It Forward shows its promise in three ways.

It is a smart response to the twenty-year disinvestment in public higher education, a way to keep the promise of access that Oregon honored for the generations that entered college before Ballot Measure 5. In the spirit of fairness, we want college to be available to all Oregonians.

It is the right way to assure a return on the investment in public higher education that generations of past Oregonians made in the hope that future college graduates – their children and grandchildren -- would become the citizens and taxpayers, needed to support public services that anchor Oregon's quality of life.

Last, it is an opportunity for Oregon to be a laboratory for offering solutions to America's public policy challenges, much as our state did earlier through pioneering legislation for the Urban Growth Boundary and the Bottle Bill.

Pay It Forward is no longer merely a dream. It is a doable program that has been endorsed by the Higher Education Coordinating Commission, encouraged by the Oregon Community Foundation, and discussed statewide.

I encourage you to move the bill into law in the Legislature and make Oregon an exemplar of innovation in public higher education.

* for identification purposes only