



February 3, 2016

Dear Members of the House Committee on Higher Education, Innovation, and Workforce Development:

My name is Dee Wilson and I serve as the Bursar at Portland Community College. I am submitting this letter today in support of House Bill 4021.

It is no secret that Portland Community College students, like students throughout Oregon and the rest of the nation, are being crushed by the weight of student loan debt. It is quite clear that Oregon students need more options for shouldering the debt they incur in pursuit of higher education. PCC has been an enthusiastic participant in conversations exploring various paths toward alleviating this burden from our students, and we think House Bill 4021 has very exciting potential.

In my position as the bursar for Portland Community College, I have first-hand knowledge about how hard it is for students to pay for college and the difficult financial decisions they have to make about funding their education. Fortunately, we have various grant programs that help for students with a high degree of financial need, and the Oregon Promise will soon be available to a small percentage of our students. However, even for students who receive a full array of grants, there's not much left over to live day-to-day once they pay for tuition and books.

Our financial aid director was unable to make it today, but he sends his support for this bill as well, and asked me to give you some information about PCC's financial aid program.

In the 2014-15 academic year,

- PCC's student loan volume was \$91.9 million; this represented 61% of the total aid we provide.
- The types of loans we provide includes Federal Direct Subsidized and Unsubsidized Loans, Parent Loan for Undergraduate Students, Private Non Federal Loans and Nursing Student Loans.
- On average, the college awards 18,539 student loans each year for an average loan amount of \$5,512.
- Our loan default rate at PCC is 17.2%.

These high loan totals underscore the seriousness of the financial needs of students at PCC. We are not alone. As you surely know, the student loan debt on a national level now exceeds \$1.3 trillion.

Portland Community College leaders understand the importance of managing our cohort default rate. I am proud to say that through strategy, planning and a lot of hard work, our default rate is now 1.9% below the national average. It hasn't always been that way. Four years ago our rate was above the national average. I am proud of the work that has been done in this area and I know that our commitment is strong.

PCC leaders also understand the weight of student loan debt and its role in non-completion. The more options that become available to help our students juggle their loans as a reasonable portion of their personal budget, the more successful they will be in graduating and completing certificates. And, the more options that our alumni have in handling their loans after graduating, the better they will be able to contribute to Oregon as productive, tax-paying members of our State's workforce. Moreover, I wonder whether the results of this study could eventually provide incentive for Oregon college

graduates to remain in the State as they build their careers and serve in both urban and rural communities.

As the national climate is shifting toward less attractive loan programs, our students could find state repayment options to be the security they need to complete their educational goals and contribute toward the state's 40-40-20 plan.

For these reasons, PCC supports House Bill 4021. Oregon has been a leader in conversations around re-thinking the cost of higher education, and this is an opportunity for our State to innovate further.

Sincerely,

Dee Wilson
Bursar, Portland Community College