



**Testimony on Senate Bill 1554**  
Senate Education Committee  
February 12, 2018

Chair Roblan, Vice-Chair Linthicum, and members of the Committee. My name is Kyle Thomas and I am the Director of Legislative and Policy Affairs for the Higher Education Coordinating Commission. Thank you for the opportunity to testify on Senate Bill 1554.

The bill, with the -1 amendment, requires HECC to conduct a study in consultation with the State Treasurer, aimed at answering a couple of questions:

1. If 529 plan assets are excluded from the state's calculation of how much a family can be expected to contribute to the cost of a student's attendance, what are the effects, from not only from a policy perspective, but also from a financial and administrative perspective?
2. Are there policy options that the state can implement to improve the utilization of and the amount of assets in 529 plans amongst Oregonians at and below median income?

These are important questions, especially as the burden of financing the costs of public higher education shifts increasingly to the responsibility of the student. These are also important questions because there is clearly room to improve equity relative to who receives the public incentives associated with investing in public 529 plans—incentives that are provided exclusively through the federal and state tax code, and thus generally benefit higher income Oregonians.

Because HECC plans to rely primarily upon publicly available research in analyzing these questions, there is only a minimal fiscal impact on HECC to produce the required report.

Thank you for your time today.