House Bill 2389

Introduced and printed pursuant to House Rule 12.00. Presession filed (at the request of State Treasurer Tobias Read)

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.

Creates Oregon Bright Futures Plan Task Force. Requires task force to develop recommendations for increasing number of children for whom post-secondary education savings are made. Sets forth factors that task force shall consider. Prohibits task force from recommending mandatory participation of financial institutions.


A BILL FOR AN ACT

Relating to post-secondary education savings programs; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. (1) The Oregon Bright Futures Plan Task Force is established.

(2) The task force consists of nine members as follows:

(a) The State Treasurer, or a designee of the State Treasurer, shall serve as the chair of the task force.

(b) The President of the Senate shall appoint one member from among members of the Senate.

(c) The Speaker of the House of Representatives shall appoint one member from among members of the House of Representatives.

(d) The State Treasurer shall appoint six members, who must meet the following qualifications:

(A) One member must represent the banking industry;

(B) One member must represent the credit union industry;

(C) Two members must represent community-based efforts supporting equitable educational outcomes for children; and

(D) Two members must represent community-based organizations dedicated to increasing the financial capability and assets of communities of color or rural communities, or to improving educational outcomes within communities of color.

(3) The task force shall develop recommendations for increasing the number of children for whom post-secondary education savings are made, and for engaging children, family members, and community institutions in making deposits toward post-secondary education savings. In developing its recommendations, the task force shall consider at least the following factors:

(a) Access to and utilization of existing savings programs by low and moderate income families, by geography, race and ethnicity;

(b) Saving habits of low and moderate income families in Oregon, and estimates of net

NOTE: Matter in boldfaced type in an amended section is new; matter [italic and bracketed] is existing law to be omitted. New sections are in boldfaced type.
worth, by geography, race and ethnicity;

(c) Impacts of saving on the development of a post-secondary education identity to support post-secondary training and education, and resultant impacts on student success, post-secondary education enrollment and post-secondary education completion;

(d) Current data on Oregon high school completion rates, rates of enrollment in post-secondary education, rates of completion of post-secondary education and evidence of racial, ethnic, income and geographic disparities;

(e) Estimates of financial need for college in the year 2036;

(f) Impacts of financial institution participation in accepting deposits for families and children, particularly for families with limited engagement with federally insured financial institutions;

(g) Regulatory and operational barriers to participation of financial institutions in post-secondary education savings programs, and strategies to mitigate those regulatory and operational barriers;

(h) Uses and impacts of technology and communication and outreach strategies on participation and engagement of families with low and moderate incomes, or within communities of color or rural communities, in post-secondary education savings programs;

(i) Impacts of universal and opt-out program design on participation rates of low and moderate income families in post-secondary education savings programs;

(j) Impacts of enrolling children at birth or in kindergarten in post-secondary education savings programs;

(k) Options for disbursing funds at high school completion, upon application for higher education or directly to the institution of higher education;

(L) Eligible uses of funds that best support post-secondary education enrollment and completion for low and moderate income students, students of color and students from rural communities;

(m) Operational challenges and recommendations for testing and implementation of solutions to those operational challenges;

(n) Account ownership and structure options that minimize barriers to participation and operational costs for all parties; and

(o) Potential funding mechanisms for post-secondary education savings accounts including philanthropic, corporate, community, family and individual contributions.

(4) The task force may not recommend plans that mandate the participation of financial institutions.

(5) The task force may, in carrying out its duties, consult with any advisors or other persons as the task force deems necessary or advisable.

(6) A majority of the members of the task force constitutes a quorum for the transaction of business.

(7) Official action by the task force requires the approval of a majority of the members of the task force.

(8) If there is a vacancy for any cause, the State Treasurer shall make an appointment to become immediately effective.

(9) The task force shall meet at times and places specified by the call of the chairperson or of a majority of the members of the task force.

(10) The task force may adopt rules necessary for the operation of the task force.
(11) The task force shall submit a report on its findings and recommendations, including recommendations for legislation, to the Legislative Assembly in the manner provided by ORS 192.245 no later than January 31, 2020.

(12) Members of the task force who are not members of the Legislative Assembly are not entitled to compensation or reimbursement for expenses and serve as volunteers on the task force.

(13) All agencies of state government, as defined in ORS 174.111, are directed to assist the task force in the performance of the task force's duties and, to the extent permitted by laws relating to confidentiality, to furnish information and advice the members of the task force consider necessary to perform their duties.

SECTION 2. Section 1 of this 2019 Act is repealed on December 31, 2020.

SECTION 3. This 2019 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect on its passage.