

## **A Draft Framework for Commission Consideration of Pay It Forward**

*We view the Pay It Forward pilot described by the Workgroup Report as a worthy initiative for the Legislature to undertake, subject to the availability of funding over and above our core investment priorities – especially the proposed expansion of the Oregon Opportunity Grant -- and assuming the satisfactory resolution of several additional considerations that are described below.*

We view the following as significant virtues of the workgroup's Pay It Forward proposal:

- As envisioned by the workgroup, Pay It Forward would be a niche program that is likely to be especially appealing to middle class students and families that don't qualify for other forms of state and federal financial assistance for higher education, not something that would replace other forms of support for students and institutions.
- It provides for income-based "repayment" of obligations incurred for college expenses, an approach that can benefit many students.
- Unlike state funding for need-based grants and institutional support, the bulk (if not all) of the state's investment would be repaid through contributions from those who benefited.
- [other]

We recommend consideration of the following additional questions/issues before adopting Pay It Forward:

- Could the primary benefits of Pay It Forward be captured by a state-based loan program instead?
- To what extent does the political and public viability of the pilot depend on its up-front costs being fully "repaid"?
- [other]