

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION

No. 429 Session of
2013

INTRODUCED BY B. BOYLE, K. BOYLE, LONGIETTI, BROWNLIE,
SCHLOSSBERG, CLAY, HAGGERTY, SWANGER, NEILSON, FRANKEL,
SABATINA, DONATUCCI, BIZZARRO, MOLCHANY, MURT, MAHONEY AND
SAMUELSON, SEPTEMBER 9, 2013

REFERRED TO COMMITTEE ON EDUCATION, SEPTEMBER 9, 2013

A RESOLUTION

1 Directing the Legislative Budget and Finance Committee to
2 conduct a study of the current system used by the
3 Pennsylvania State System of Higher Education, State-related
4 institutions and community colleges in charging tuition and
5 fees for enrollment and to examine the impact that a "Pay It
6 Forward" program would have in this Commonwealth.

7 WHEREAS, The General Assembly recognizes that postsecondary
8 education is a foundation for democracy and has expanded
9 opportunities for citizens of this Commonwealth to qualify for
10 high-quality jobs and entry into the middle class, providing
11 clear benefits to this Commonwealth's economy; and

12 WHEREAS, The Pennsylvania State System of Higher Education's
13 State funding level in the 2012-2013 fiscal year was only \$1
14 million more than it was 15 years ago, constituting a
15 significant decrease in inflation-adjusted terms; and

16 WHEREAS, In response to decreased State support, over the
17 past ten years in-State tuition in this Commonwealth has risen
18 by over \$2,000, or 44%, at State System of Higher Education
19 institutions and by an average of more than \$5,500, or 57%, at

1 State-related universities; and

2 WHEREAS, Tuition at Pennsylvania's public institutions of
3 higher education has been rising far more rapidly than household
4 incomes; and

5 WHEREAS, Students and their families provide approximately
6 73% of the revenue necessary to operate State System of Higher
7 Education institutions through tuition and fees; and

8 WHEREAS, For the 2012-2013 fiscal year, the Pennsylvania
9 Higher Education Assistance Agency's Federal loan servicing
10 operation has grown from \$76 billion for 4.3 million borrowers
11 to \$108 billion for 5.2 million borrowers in early 2013, with a
12 probability of ending the fiscal year with a portfolio of \$125
13 billion for approximately 5.9 million borrowers; and

14 WHEREAS, The increasing unaffordability of a college
15 education has forced students to borrow more money to pay for
16 higher education; and

17 WHEREAS, High levels of student debt are not only damaging to
18 the individual student's ability to succeed financially, but
19 will also have a detrimental effect on the economy of this
20 Commonwealth; and

21 WHEREAS, The General Assembly finds that it must immediately
22 seek another approach to financing the students' share of the
23 cost of public higher education in this Commonwealth that will
24 not result in students graduating from Pennsylvania's public
25 colleges and universities burdened with an unsustainable level
26 of debt; and

27 WHEREAS, There is growing interest in a new financing
28 strategy known as "Pay It Forward"; therefore be it

29 RESOLVED, That the House of Representatives direct the
30 Legislative Budget and Finance Committee to conduct a study of

1 the current system used by the State System of Higher Education,
2 State-related institutions and community colleges in charging
3 tuition and fees for enrollment and to examine the impact that a
4 "Pay It Forward" program would have in this Commonwealth; and be
5 it further

6 RESOLVED, That the study include, but not be limited to, an
7 analysis of the funding and logistical challenges of a pilot
8 program to test the "Pay It Forward" program, which would
9 replace the system of charging tuition and fees for higher
10 education for participating students with a contract signed by a
11 student to commit a certain percentage of the student's annual
12 adjusted gross income upon completion of the student's course of
13 study for a specified number of years; and be it further

14 RESOLVED, That the study also include an analysis of the
15 "Western Tuition Promise" offered by Western Oregon University;
16 the "Finish in Four" program proposed in Florida; the "Pay It
17 Forward, Pay It Back" program proposed in Oregon; the "Pay It
18 Forward" system proposed in Washington; and ways of mitigating
19 the financial strain that the adoption of a tuition freeze would
20 place on university finances; and be it further

21 RESOLVED, That the Legislative Budget and Finance Committee
22 prepare a report of its findings and transmit copies of the
23 report to the Education Committee, the Finance Committee and the
24 Appropriations Committee of the House of Representatives not
25 later than two years after adoption of this resolution.