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SENATE JOINT RESOLUTION NO. 86

Offered January 13, 2016

Prefiled January 13, 2016

Requesting the State Council of Higher Education for Virginia to study the feasibility of implementing a "Pay It Forward, Pay It Back" higher education tuition financing model to increase access to educational opportunities and to decrease the debt burden on students in the Commonwealth. Report.

Patron—Edwards

Referred to Committee on Rules

WHEREAS, the General Assembly recognizes the correlation between higher education and economic growth and that investing in higher education will generate economic growth, job creation, personal income growth, and revenues for state and local government in Virginia; and

WHEREAS, the price of higher education has increased substantially over the last two decades; in the Commonwealth, tuition and fees plus charges for student housing and dining increased, on average, 150 percent between the 1992-1993 and 2011-2012 school years; and

WHEREAS, average annual income increased far less than the price of higher education, necessitating a large increase in the percentage of students who borrow and the amount they borrow; the average annual student loan amount in Virginia almost tripled between the 1992-1993 and 2011-2012 school years to nearly $10,000; and

WHEREAS, the increasing costs of higher education and the growing debt burden for students may limit access to educational opportunities and adversely affect growth in other sectors of Virginia's economy; and

WHEREAS, a Pay It Forward, Pay It Back higher education tuition financing model in which students, in lieu of paying tuition or fees, agree to pay back a percentage of their future annual income has potential to increase access to educational opportunities and decrease the debt burden on students; and

WHEREAS, it is in the interest of the Commonwealth to explore innovative higher education tuition financing programs; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the State Council of Higher Education for Virginia be requested to study the feasibility of implementing a "Pay It Forward, Pay It Back" higher education tuition financing model to increase access to educational opportunities and to decrease the debt burden on students in the Commonwealth.

In conducting its study, the State Council of Higher Education for Virginia (SCHEV) shall consider (i) the advantages and disadvantages of implementing a Pay It Forward, Pay It Back program to the students, the institutions, and to the Commonwealth; (ii) the costs of establishing and administering such a program; (iii) the terms of a contract between a student and the Commonwealth or institution, including the length of the obligation and the annual percentage of income paid; and (iv) any other related matters it deems relevant.

Technical assistance shall be provided to SCHEV by all public institutions of higher education. All agencies of the Commonwealth shall provide assistance to SCHEV for this study, upon request.

The State Council of Higher Education for Virginia shall complete its meetings by November 30, 2016, and shall submit to the Governor and the General Assembly an executive summary and a report of its findings and recommendations for publication as a House or Senate document. The executive summary and report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports no later than the first day of the 2017 Regular Session of the General Assembly and shall be posted on the General Assembly's website.

INTRODUCED

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