

HB 2389 STAFF MEASURE SUMMARY

House Committee On Education

Action Date: 03/27/19

Action: Do pass, rescind subsequent referral to Student Success, and be referred to Ways and Means.

Vote: 9-0-0-0

Yeas: 9 - Alonso Leon, Doherty, Helt, Hernandez, Neron, Reardon, Reschke, Sollman, Wallan

Fiscal: Fiscal impact issued

Revenue: No revenue impact

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Meeting Dates: 3/13, 3/27

WHAT THE MEASURE DOES:

Establishes Oregon Bright Futures Plan Task Force. Requires task force develop recommendations for increasing number of children with post-secondary education savings accounts, and for engaging children, family members, and community institutions in making deposits toward post-secondary savings. Requires report be submitted to the Legislative Assembly no later than January 31, 2020. Repeals task force on December 31, 2020. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Importance in saving for college
- Interest in ensuring three-prong investment in saving for college/university
- Effect on districts that already have savings account programs available
- Difference between opt-in versus opt-out programs, and similarity to OregonSaves

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon has a state-sponsored 529 plan that grows tax-free and can be used on qualified higher education expenses, including tuition, books, room and board, computers, and other items. Anyone who is a U.S. citizen or resident with a social security number or tax ID number can open an Oregon College Savings Plan account for the purpose of saving for post-secondary education expenses.

House Bill 2389 establishes a task force to develop recommendations for increasing the number of children for whom post-secondary education savings are made, and for engaging people in making deposits toward post-secondary savings.