

House Education Committee  
February 17, 2022  
SB 1572A Federal Loan Forgiveness Program Testimony

Chair Alonso Leon and members of the committee,

For the record, my name is Karen Smith, and I am the Senior Policy Advisor and General Counsel for the Oregon Community College Association.

Oregon community colleges are supportive of the provision in SB 1572 as amended by the Senate which makes it clear that colleges and universities must provide information and assist faculty members who teach at our institutions with applying for the federal Public Service Loan Forgiveness Program. We believe all eligible employees should have access to this information and we currently assist all faculty members and other college employees with the forms needed to apply for loan forgiveness. The program eligibility requirements are set by the U.S. Department of Education and employers must certify the employment status and hours worked on the application form the employee submits to the federal government when applying for loan forgiveness.

We are concerned about the addition of a new calculation included in the amendments to define “faculty who teach” with a different formula to determine who teaches full-time and must be notified and assisted with the program application. We have shared these concerns with the bill’s proponents and are working to see if we can find areas of compromise.

Prior to the passage of HB 3255 (2021) colleges determined average hours eligible faculty members worked based on existing contracts, or in some cases PERS full time equivalency standards to determine the number of full-time equivalent hours worked. HB 3255 added a new calculation of 3.35 additional hours for each hour of instruction worked as the formula to use when the employer reports average hours worked per week on the loan forgiveness application. The new formula went into effect on September 25, 2021 and is more generous than the previously used formulas. Adding an additional new calculation for faculty who teach is not necessary and will cause inequities with other college employees who may be eligible for federal loan forgiveness. Further, we believe this will cause confusion with existing college bargained contracts that define full-time and part-time faculty employment status. For part-time faculty, we should be cautious about creating a new standard and definition of what constitutes “full-time teaching” for purposes of reporting hours for loan forgiveness when the employment status by all other standards is “part-time”.

Finally, the current bill allows for the parties to collectively bargain over an increase in the multiplier used to calculate hours worked. We oppose allowing bargaining only to “increase” the multiplier and believe if there is an opportunity to bargain over the multiplier it should be based on what the most accurate measure of time that is added outside of lecture or classroom hours, considering other agreements and existing load factors. We suggest changing the words “to increase the” on page 2, line 13 to “a different”.

Thank you for your consideration of these concerns.