



# NEWS

Oregon Legislature - House Democratic Caucus

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## House votes to protect students from unfair fees on student loans

SALEM – Today the Oregon House of Representatives passed a bill that would protect Oregon's students from unfair fees on their student loans.

A number of post-secondary schools contract with third-party financial firms to manage student financial aid funds. Unfortunately, some of these third-party firms are passing fees on to Oregon's students in ways that are deceptive and unfair, especially since the fees have the greatest impact on the most financially vulnerable students.

House Bill 4102 prohibits public or private post-secondary schools from entering into contracts with financial firms to handle student financial aid funds unless specific requirements for fairness and transparency are met.

"Big financial firms should not be able to boost their profits by passing hidden fees on to Oregon's students," said Rep. Paul Holvey (D – Eugene), chair of the House Consumer Protection and Government Efficiency committee. "This bill is an important step to increase transparency, end punitive fees that are not the industry norm, and stand up for students throughout the state."

Among other things, HB 4102 requires the clear and concise disclosure of fee schedules before students agree to use an account offered by third-party financial firms; an explanation of all methods available to students to access financial aid; and the prohibition of debit swipe fees on cards provided by third-party firms.

"Oregonians who are working hard to build a brighter future should be supported, not nickel and dimed," said Rep. Vega Pederson (D – East Portland).

HB 4102 passed the House 33-24 and now moves to the Senate for consideration.

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