

One Wisconsin Now: Democrats' common sense student loan debt refinancing bill available for legislative action

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Borrowers Know Ignoring the Crisis Won't Make it Go Away, Do GOP Legislators?

MADISON, Wis. — The latest estimates are that Americans are now burdened with a record \$1.4 trillion in student loan debt. Roughly \$19 billion of that debt is in Wisconsin from federal student loans that, by law, cannot be refinanced with the federal government. In good news for Wisconsin student loan borrowers, state legislative Democrats have again officially introduced the *Higher Ed, Lower Debt Act* to help, allowing borrowers to refinance their loans, just like you can with a mortgage.

“Billions of dollars in student loan debt in Wisconsin takes money out of the pockets of borrowers and in turn hurts our economy. Instead of buying homes, buying a new car and saving for retirement, we spend decades paying student loan debt,” commented One Wisconsin Now Program Director Analiese Eicher. “The good news is there is now a common sense solution to help before the state legislature.”

Introduced as 2017 Senate Bill 91 the *Higher Ed, Lower Debt Act* would create a state authority to help borrowers to refinance their student loans at lower interests rates, extend an existing state tax deduction to include student loan payments and provide additional information and loan counseling to borrowers.

The legislation, sponsored by every single Democrat in the Senate and Assembly,

has been referred to the Senate Committee on Universities and Technical Colleges and is available to be scheduled for a public hearing and executive action at the call of the committee chair, Republican Senator Sheila Harsdorf. A companion bill is expected to receive a bill number and referral to standing committee in the State Assembly in the very near future.

Since 2011, under the policies of Gov. Scott Walker and the Republican-controlled legislature, funding for higher education has been cut by record amounts, financial aid has been dramatically underfunded leaving tens of thousands of eligible students without help and tuition for University of Wisconsin students has been increased by double digits.

The result, unsurprisingly, has been a growing crisis of student loan debt. Wisconsin is in the top five states in the nation for the percentage of graduates with student loan debt. The state also ranks sixteenth for the amount of debt carried by graduates, with the average University of Wisconsin student matriculating with an average debt of nearly \$30,000.

In addition to contributing to growing levels of debt, Republicans have steadfastly refused to take any substantive actions to help Wisconsinites no longer in school and ease their student loan debt burden. Gov. Scott Walker has instead advised borrowers to literally, “call a bank” and commissioned a state website to list bank phone numbers.

Eicher concluded, “Republicans seem to think that by ignoring the crisis of student loan debt it’s going to go away. It’s not, and nearly one million Wisconsin borrowers making a student loan debt payment every month know it’s time for their elected representatives to instead support common sense solutions.”

One Wisconsin Now is a statewide communications network specializing in effective earned media and online organizing to advance progressive leadership and values.