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Sen. Hansen: According to Governor Walker Low Cost Loans for Corporations are Okay but Not for Student Loan Borrowers

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(Madison)—Responding to Governor Walker's plan to reinstate a failed WEDC loan program that cost the state millions, Senator Dave Hansen (D-Green Bay) said it is yet another example of how the rich and corporations are treated with one set of rules while average people are treated with another.

"Apparently, providing low-cost state loans through a state agency to corporations are okay with Governor Walker and legislative Republicans but when it comes to helping thousands of Wisconsin residents and families refinance their student loans they are on their own," said Hansen, author of the Higher Ed Lower Debt bill (HELD).

The loan program was ended when it was reported that one of Governor Walker's top secretaries pressured WEDC officials to approve an unsecured $500,000 taxpayer loan to Building Committee, Inc. that has never been repaid. According to news reports the owner of the company had proposed using loan proceeds to pay leasing debts on a 2010 Maserati and 2011 Nissan 370Z.

"This Governor and his followers in the Legislature have no problem lending hundreds of thousands of dollars to a business owner to pay off leases on his luxury cars, but when it comes to helping our young people refinance their student loans so they can buy their first new car or home they couldn't care less."

The WEDC loan program was plagued by scandals including giving hundreds of thousands of taxpayer dollars to corporations that outsourced Wisconsin jobs and a

report that found that nearly $585 million of the $975 million in taxpayer assistance provided by WEDC went to companies that had contributed to Governor Walker's campaign either directly or indirectly.

"Time and time again we see that there is one set of rules for the rich and another set for everyone else. The nearly 1 million Wisconsin residents struggling with student loan debt deserve the same type of consideration as the millionaires and billionaires in this state receive."

Walker said he opposes HELD because he has his own plan.

"Adding links to a website is not a plan. If the private sector was able or willing to help student loan borrowers we wouldn't have a student loan crisis in the first place."

HELD would make it possible for Wisconsin residents with student loans to refinance them at lower interest rates, provide a new tax break for nearly 1 million loan holders and provide comprehensive education and counseling for new students.