One Wisconsin Now: More than 121,000 likely voters in Milwaukee County pay monthly student loan debt

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MADISON, Wis. — With the Democratic candidates for governor ready to debate in Milwaukee later today, One Wisconsin Now Program Director Analiese Eicher reminded the eight hopefuls that Scott Walker is the "worst governor in America for the student loan debt crisis." Eicher added there are roughly one million student loan borrowers across Wisconsin, including 121,000 likely voters with student loan debt in Milwaukee County alone.

"Student loan debt is a clear and present multi-generational danger to the Wisconsin economy," said Eicher. "Democrats have offered a common sense solution, while Scott Walker has told Wisconsin borrowers to 'call a bank.'"

Nationally, there are over 44 million borrowers with over $1.5 trillion in student loan debt. The debt burden for their education now exceeds other leading forms of consumer debt, like credit card and auto loans, and has been increasing at a rapid rate, rising 50 percent since hitting the $1 trillion mark in 2012. While nearly 85 percent of the debt is held by people under the age of 50, according to the latest research, student loan debt in Wisconsin isn't just for the young. A study from the Consumer Financial Protection Bureau (CFPB) finds that borrowers over age 60 is the age demographic in which debt is growing the fastest. In Wisconsin, the number of borrowers over age 60 rose by an astounding 48 percent and their debt increased by 45 percent between 2012 and 2017.

“It’s staggering that the age demographic with the fastest growing student debt is Americans over the age of 60,” said Eicher. “Student loan debt is a growing, multi-generational crisis that burdens not just recent graduates entering the workforce but threatens the secure and well deserved retirements for those who’ve worked their adult lives.”

According to the CFPB’s “Snapshot of older consumers and student loan debt”, the age demographic in which student loan debt is increasing fastest is Americans over the age of 60. Factors for the explosion of debt in this group, according to the report, include it taking longer for borrowers to repay their loans and more parents and grandparents borrowing to help finance higher educations for their children or grandchildren.

Additional CFPB research broke down the debt held by older borrowers in every state. It found that in Wisconsin there were nearly 60,000 people over age 60 with student debt in 2017, nearly double the roughly 39,000 in 2012. As the number of Wisconsin borrowers has grown, so has their median and their overall debt. The median balance for these borrowers exceeds $15,000 and the total balance exceeds $1.5 billion in 2017, increases of 25 and 45 percent respectively.

A poll of 1,116 registered Wisconsin voters conducted by Public Policy Polling in late 2017 for One Wisconsin Now found an overwhelming 79 percent supported “a plan to allow student loan borrowers to refinance their loans, just like you can with a mortgage.” A mere 9 percent were opposed. Support was strong across all age demographics, including 87 percent of voters age 45-65 and 77 percent of voters age 65 plus.

Finally, when Walker was questioned by the state news service WisPolitics.com recent about whether he has followed his own advice, he indicated he had not, replying, “We’ve got great rates right now.” On financial disclosures Walker has reported family student loan debt of over $100,000 at an interest rate of 7.21 percent.

Student loan debt refinancing is one component of One Wisconsin Now’s Tomorrow Wisconsin Agenda, which focuses on five key issues:

Student Loan Debt Refinancing
Paid Family and Medical Leave and Sick Days
Affordable Child Care
Job Security and Livable Wages
Access to State Pension System

"Before you can turn voters out, you need to turn voters on," Eicher said. "That's why we're proposing an economic agenda that speaks directly to the economic needs of the voters who need to use their voice in the public policy debate and at the ballot box in November."