

Sen. Hansen: Governor's student loan plan falls short

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Governor Walker's Plan Would Leave Vast Majority of Student Loan Holders Out in the Cold

After eight years in office yet another problem Governor has failed to address

(Madison)—State Senator Dave Hansen said today that Governor Walker's plan to give college graduates a refundable tax credit is not only too little too late, but that it does nothing to help hundreds of thousands of Wisconsin residents who already graduated and are struggling to pay off their student loans.

"For whatever reason, Governor Walker refuses to even consider helping Wisconsin residents refinance their student loans, instead saying the private sector is best to handle it," said Hansen. "Well, he's been in office 8 years and during that time there is nothing to suggest that the private sector has any interest or ability in solving the refinancing question."

Since 2013 Senator Hansen and fellow Democrats have introduced the Higher Ed/Lower Debt bill that would help Wisconsin residents refinance their student loans at lower interest rates by establishing a state refinancing authority. The bill would also allow borrowers to deduct the cost of their student loan payments on their income taxes.

Since 2013 there were 753,000 Wisconsin residents with an average student loan debt of \$22,400. Today those numbers have risen to over 800,000 and an average student loan debt of over \$30,000.

"Given the size and scope of the crisis and its impact not only on the hundreds of thousands of people struggling, but on our economy, it is mindboggling the length

to which the Governor and Republicans will go to avoid taking this relatively simple step to offer relief to so many Wisconsinites.”

Although the legislation has received strong public support in public hearings in both houses of the Legislature, the Republican majority has refused to give the bill a vote.

“Other states already have similar programs in place or are moving toward refinancing. Yet, the Governor and the Republicans in the Legislature continue to drag their feet on this issue.”

Senator Hansen said introducing the Higher Ed/Lower Debt bill will be one of the first bills he introduces when the Legislature convenes in January.

“Hopefully, we will have some new people around here who are more supportive of helping the people in this state than propping up the big student loan corporations and banks on Wall Street.”