

One Wisconsin Now: Wisconsin Republicans refusing to help student loan borrowers, again

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Contact:

Mike Browne, Deputy Director

mike@OneWisconsinNow.org

(608) 444-3483

MADISON, Wis. — As they attended a special interest shakedown at a Washington, DC lobbying firm, Republican leadership in the Wisconsin state legislature released a memo announcing they are axing state budget proposal to help student loan borrowers. One Wisconsin Now Executive Director Analiese Eicher blasted the move by the co-chairs of the Joint Committee on Finance to eliminate from consideration a proposal in Gov. Tony Evers' budget calling for creating a state-based plan to help borrowers refinance student loans, just like you can with a mortgage.

“Republican legislative leadership has sent a message to Wisconsin student loan borrowers that they simply don’t care about helping them,” said Eicher. “The question now is what will the rest of the Republicans in the legislature do? Their choice is stick with their party bosses who raise their campaign cash or speak up and help out Wisconsin student loan borrowers.”

According to a memo released by the Republican co-chairs of the powerful Joint Committee on Finance, the first action they will take on the 2019 state budget as proposed by Gov. Tony Evers will be to remove a list of items including help for student loan borrowers.

Student loan debt is the second largest consumer debt in the United States today with roughly 45 million borrowers holding a collective \$1.5 trillion in debt. Wisconsin borrowers number over one million and are burdened with over \$24 billion in education related loan debt.

The economic impacts of the crisis are widespread and negative, ranging from lowering rates of home ownership and new car purchasing to hampering the ability of borrowers to save for their retirement or their children's higher education.

Over the previous eight years of complete Republican control of state government, the crisis has worsened measurably in Wisconsin. After they enacted double digit tuition hikes and underfunded financial aid programs for eligible students, Wisconsin became one of the top ten states in the nation for the percentage of college graduates leaving with student loan debt. This now marks the fourth consecutive legislative session that the Republican led legislature is rejecting a student loan refinancing proposal.

Eicher noted that the crisis impacts borrowers in urban and rural areas, young and old, men and women, Democrats and Republicans and people of all races, driving widespread support for common sense reform to the system, like helping borrowers to refinance their loans.

In Wisconsin, public opinion research 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 partisan lines with 85 percent of those identifying as Democrats, 70 percent of Republicans and 82 percent of independents favoring the proposal. In addition, 79 percent of both men and women supported student loan refinancing along with 74 percent of voters age 18-29, 71 percent of voters age 30-45, 87 percent of voters age 45-65 and 77 percent of voters age 65 plus.

She concluded, "The only 'us versus them' in this debate is student loan borrowers who worked hard to get their education and took on the personal responsibility to pay for it and Republican legislative leaders who've shown they're more interested in shaking down lobbyists for campaign cash than helping their constituents."