

# Main Street Alliance: Student loan relief will support entrepreneurship

Posted on Wednesday, Aug 24, 2022

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WASHINGTON, D.C. — On President Biden’s signing of the Inflation Reduction Act, **Main Street Alliance/Main Street Action Executive Director Chanda Causer** had this to say:

“The decision by the Biden Administration to extend the moratorium on payments will help our small businesses continue to recover from the economic toll of the pandemic. Student debt limits economic opportunity, [especially for small business owners and entrepreneurs.](#)

“To start or grow a small business, people need access to capital. Debt of any kind limits the amount of cash available to self-finance a start-up or growth venture, and it affects credit scores, making it harder to secure financing from institutions. It is unfair to offer debt as a pathway to education to people who have not had the financial training to understand the risk.

“Research from Andre M. Perry, a fellow at the Brookings Institution, [shows that education does not achieve income parity for Black workers](#), and Black students are taking on disproportionate amounts of debt to finance their education, which reinforces the racial wealth gap and determines who is allowed to start a business in this country.

“President Biden has taken a step in the right direction to support entrepreneurship, and we still have work to do. Fully canceling debt will go a long way for building local community, and could potentially accelerate small business growth.”