



For Immediate Release  
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### Rep. Doyle Column: Time to Address Student Loan Crisis

As much as it pains us all to realize, summer is fading fast. Before you know it, kids will be going back to school. In a college town like La Crosse, the changing of the seasons means that nearly 3,000 new students will be starting their time at UW-L. But in the midst of their excitement, many of these students and so many like them from all over Wisconsin are facing years of paying off their student loan debt.

In Wisconsin, there are 812,000 federal student loan borrowers. That is 1 in 5 adults. Young adults who leave college weighed down by debt are inhibited from becoming active participants in the economy. For example, if you are metaphorically up to your eyeballs in student loan debt, you are less likely to run out and buy a new car. You aren't going to put a down payment on a starter home. Every financial decision you make will be made in the context of your debt. The average debt after receiving a four-year degree is \$28,400. And that is despite that fact that most students hold jobs during college.

Student loan debt is the second highest source of household debt, behind only mortgages. Adults pay \$350 a month on average for their four-year degrees and \$448 for graduate and professional degrees. That is roughly \$4 billion a year in total payments. Just imagine what our state would look like if that sort of money was going directly into our economy.

Now some people might say that the easiest solution to this problem is to just not go to college. But consider this: 61% of future Wisconsin jobs will require higher education. Our young people not only deserve to get the same college experience as the rest of us, they are going to need it if they want to compete in the changing global economy. Right now, only 44% of Wisconsinites ages 25-34 have an associate's degree or higher. And higher education attainment rates are only expected to reach 49% by 2018. We are heading toward another jobs gap where we don't have enough skilled professionals because college is just too expensive.

And the situation is only going to get worse. So we need to act now.

This is why we need to pass the Higher Ed Lower Debt Act. There are four main components of this bill. First, borrowers would be able to refinance their loans at lower interest rates, something people can do already with their mortgage. Second, tuition expenses would also be tax-deductible, again just like mortgage payments. Third, a truth-in-student loan transparency



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program would be established, including the requirement that the Department of Financial Institutions (DFI) gather and publicize data on the best and worst lenders, and on rates and terms for student loans. Anyone who has ever had a loan will know how important it is to know exactly what you are getting into before you sign on the dotted line. And finally, the bill will require all institutions of higher education to provide loan counseling for students before they are in over their heads.

Together, these provisions pave the way for helping our students overcome the burden of their student loan debt. This isn't loan forgiveness. No one is proposing that students should not have to pay back these loans. However, it is just common economic sense to help students pull themselves out of debt. For every dollar a student puts toward their debt, that is a dollar they don't spend at a local restaurant, appliance store, or car dealership. The sooner students pay off their debt, the sooner they become productive members of our economy. And the sooner they do that, the sooner we see some of the real economic growth that we have all been waiting for in Wisconsin.

Now that the budget is over, a lot of people have asked me what is next for the legislature. For me, the next thing on my agenda is going back to bills like the "Higher Ed Lower Debt" act and renewing the call to pass this important legislation. And it really is the perfect time to do so. We've got 10,000 undergrads returning to UW-L soon.