



STATE REPRESENTATIVE  
**CORY MASON**

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WISCONSIN STATE ASSEMBLY  
66TH ASSEMBLY DISTRICT  
*REPRESENTING THE RACINE COMMUNITY*

To: Senate Committee on Universities & Technical Colleges  
From: State Representative Cory Mason  
Re: Support of Senate Bill 194/Assembly Bill 272, the Higher Ed, Lower Debt Bill  
Date: October 7, 2015

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Senator Harsdorf and members of the Committee, thank you for holding today's hearing on the Higher Ed, Lower Debt bill.

The Higher Ed, Lower Debt bill represents that new, innovative approach to relieving the student debt crisis. This legislation's emphasis is on the reality of student debt. At a time when 70% of Wisconsinites are graduating from college with student debt averaging over \$28,000, it is clear action must be taken now.

The Higher Ed, Lower Debt bill represents an innovative and unique approach to transforming the cost of higher education and revitalizing Wisconsin's economy by helping the more than 815,000 Wisconsin residents who are drowning under the weight of their student loans. This legislation's emphasis is on the reality of student debt. At a time when 70% of Wisconsinites are graduating from college with student debt averaging over \$28,000, it is clear action must be taken now.

If enacted, this legislation will make Wisconsin a national leader in tackling the student debt crisis and providing real relief to the hundreds of thousands of Wisconsin residents whose financial decisions are greatly constricted by the reality of hundreds of dollars per month – month after month after month – vanishing into the sinkhole of student loan payments.

This bill appeals to conservative sensibilities. The bill takes a free market approach that will allow college students to have access to the best available information about student loan rates and lenders, to fully understand loan terms and consequences, and to make smart financial decisions as they pay for their educations. The bill allows Wisconsin residents who are long finished with their education, but not finished paying for it, to refinance their loans at better market rates and reinvest those savings into their families, their homes, and our economy more broadly.

In addition, the bill expands upon Wisconsin's current tax deduction for tuition expenses to allow for the deduction of student loan payments. The nonpartisan Legislative Fiscal Bureau estimates that this provision alone would allow student loan borrowers to realize tax savings of \$179 for a typical borrower to as much as \$561 for an individual or \$1,062 for a married couple where both individuals are paying off loans. Instead of putting money into higher education grants, this bill expands a popular tax deduction and provides real relief for Wisconsin's middle class.

It is abundantly clear that this bill will be a powerful tool for those Wisconsin residents just beginning their higher education journeys, as well as for those residents and families who have obtained their educations but still face years, even decades, of student loan payments. The Higher Ed, Lower Debt bill will arm Wisconsin's student loan borrowers with the best available information and consumer protections, put money back into Wisconsin residents' pockets, and put money back into our state's economy.

I have heard from numerous constituents and other Wisconsin residents who have shared their stories about how the student loan crisis is impacting their lives. There are hundreds of thousands of other stories like this, echoing this call for a new, creative, unique approach to the student loan crisis. The Higher Ed, Lower Debt bill is exactly that sort of comprehensive, innovative approach. I am pleased that every single Democratic legislator signed on as a co-author of this bill. It is my hope that today's hearing will lead to bipartisan support for this legislation and that we can move forward collaboratively and quickly to advance this legislation.

Thank you.