

Higher Education and Employment Advancement Committee

JOINT FAVORABLE REPORT

Bill No.: HB-5895

AN ACT ESTABLISHING A TASK FORCE ON THE REDUCTION OF STUDENT

Title: LOAN DEBT.

Vote Date: 3/11/2021

Vote Action: Joint Favorable Substitute

PH Date: 3/2/2021

File No.:

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SPONSORS OF BILL:

REP. TURCO, 27th Dist.

REASONS FOR BILL:

To form a task force to study average student loan debt in CT, compare it to neighboring states, options available for reducing student loan debt, and relationship of debt to certain demographics.

SUBSTITUTE LANGUAGE:

- Lines 12-14: requires the task force study to examine the relationship between race, ethnicity, gender identity, sex, or age and the average amount of debt incurred by students and graduates

RESPONSE FROM ADMINISTRATION/AGENCY:

[Jeanette W. Weldon Executive Director, CHESLA:](#)

Submitted written testimony in support. CHESLA appreciates the opportunity to participate in the task force and are willing to work with all stakeholders to help students, higher education, and economic development.

NATURE AND SOURCES OF SUPPORT:

[John Board:](#)

Submitted written testimony in support. John proposes a financing method called "Tuition Contracting" and provided an [outline](#). He advocates for a fixed tuition rate over a period of time that adjusts if the student exceeds that time.

Madeline Granato, Policy Director, CT Women's Education and Legal Fund (CWEALF):

Submitted written testimony in support. CWEALF details the debt load for students nationally, as well as the portion held by women and Black women in particular. They say that even before the pandemic, student debt threatened the ability to afford basic needs for both women and men (23.5% and 16% of graduates respectively). The Pandemic has only made things worse for graduates as they enter the worst unemployment crisis since the Depression, which has seen "a 'shecession' where job and income losses have more severely impacted women, specifically women of color, than men."

Asia Perkins:

Submitted in support a research brief from "Economics for Inclusive Prosperity" titled *The Economics of Free College*, by Harvard economist David J. Deming.

Rep. Winkler, 56th District:

Submitted written testimony in support. He says less debt for young people without wealth is innately a good thing, especially with the legacies of "racial discrimination ... in housing through the GI bill, red-lining and blockbusting has denied Blacks intergenerational wealth." He attached a Brookings study discussing student debt cancellation and wealth inequality as a guide for combatting institutional racism.

NATURE AND SOURCES OF OPPOSITION:

None expressed.

Reported by: Jeremy Salyer

Date: 03/18/2021