

Smith Backs Refinancing Plan For Student Loan Debt Relief

Written by Brian Smith for Senate

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Debt refinancing would save student loan borrowers hundreds each year.

WAUPACA, WI – Families in central Wisconsin would save hundreds of dollars each year under a plan supported by Waupaca Mayor and State Senate candidate Brian Smith. With over 800,000 Wisconsin residents owing more than \$19 billion in student loan debt, Smith says bold solutions are needed to protect families and spur economic growth.



“Too many families in our state are struggling to pay off student loan debt,” said Smith. “Massive cuts to UW schools and Wisconsin’s technical colleges have shifted more of the burden onto students and families. People are finding it harder to buy a car, start a family, or open a new business after graduating because of their crushing debt.”

Smith pointed to the Higher Ed, Lower Debt Bill as an immediate solution to help lower student loan debt. The plan would target tax relief to middle class families and allow individuals to refinance student loans at lower interest rates.

“A student graduating today with \$30,000 to \$40,000 in debt is going to spend decades paying off that loan,” said Smith. “Families in Wisconsin should be allowed to refinance their student debt just like you can with a car loan or home mortgage. It’s a commonsense, consumer-driven solution that will lower interest payments and ease the burden placed on our local hardworking families.”

Seventy percent of Wisconsin’s college graduates have student loan debt, the third highest percentage in the nation. Several states including Minnesota have already launched student loan refinancing efforts in a bid to lower costly interest payments. According to the Minnesota Higher Education Commissioner, the new refinancing option could lower payments by \$200 a

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month for an average student loan borrower.

“It’s time to follow the lead of other states that are working to lower student loan debt and expand economic opportunities for our hardworking local families,” concluded Smith. “While politicians in Madison have been slow to respond to this growing crisis, I’m ready to step up and make student loan debt a top priority in our state.”