

Rep. Sarah Roberts offered the following resolution:

**House Resolution No. 98.**

A resolution to memorialize the Congress of the United States to enact legislation that allows the refinancing of student loans.

Whereas, A college education is one of the most valuable investments a family can make, but it has never been more difficult for families to afford the dream of college as the cost has been growing exponentially. Average college tuition rates rose 1,120 percent between 1978 and 2013. The pursuit of higher education is the ticket to the middle class and the pathway to economic opportunity. American young people should not be priced out of the opportunity for a higher education, which is more crucial than ever to secure a good-paying job. A diploma is financially out of reach for many families who must turn to student loans for assistance in order to build a stronger future for their children; and

Whereas, High interest rates on student loans are an anchor around the necks of young professionals, preventing them from saving, starting businesses and buying homes. Outstanding student loan debt was \$1.3 trillion in 2014, up \$100 billion from the previous year. One in five households nationwide is paying student loan debt. More than 70 percent of college graduates are trapped in debt before their lives as working adults can even begin. Furthermore, more than 11 percent of the debt is delinquent, damaging credit scores needed to secure mortgages and other loans. Student loan debt has a crippling effect on our economy, keeping graduates from fully participating in economic opportunities that are supposed to come with a college degree; and

Whereas, Refinancing is not an option for student loans as it is for other types of loans, for mortgages, cars, and businesses as interest rates fall. Student loans typically have interest rates of 7 percent or more, higher than most other forms of consumer lending, with the compounding burdens of existing debt and ever-accruing interest. The federal government makes \$66 billion a year in interest on student loan debt. Many college graduates are trapped in debt for a good part of their earning career. Seventeen percent of those with student loans are 50 and over. We are giving our young people a financial life sentence in exchange for a diploma. Those with outstanding student loan debt should be able to refinance at current government-subsidized interest rates, which are below 4 percent; and

Whereas, If student loans could be refinanced it would give students the same opportunity that other borrowers have when interest rates decline. This would bring much needed relief to millions of student borrowers, help boost our economy, and strengthen America's middle class. It would allow millions of people to keep more of their hard-earned money to put a down payment on a home, build a new business, start a family, or invest in the community. It would create a fairer shot at an affordable higher education, making that dream accessible to every student; now, therefore, be it

Resolved by the House of Representatives, That we memorialize the Congress of the United States to enact legislation that allows the refinancing of student loans; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.