



Senator Sanborn, Representative Tepler, and other esteemed members of the Health Coverage, Insurance and Financial Services Committee,

My name is John Kosinski and I am here on behalf of the Maine Education Association to testify in support of LD 995, An Act To Establish a Student Loan Bill of Rights To License and Regulate Student Loan Servicers.

The Maine Education represents 24,000 educators in our state, including educators in nearly every public school in the state and the faculty and other professionals in the University of Maine and community college systems. We also have student chapters around the state, Student-MEA. These chapters are comprised of undergraduate students enrolled in teacher preparation programs around the state.

Simply put, the MEA wholeheartedly supports LD 995. We supported a similar version of this bill in the last session and we gladly and happily stand before you today to support it again.

I am not going to go on and on and remind you of the challenges student loan debt creates for families and students. I am not going to go into how The Institute for College Access and Success rates Maine as having the 10th highest student loan debt among students with an average of over \$31,000 of student loan debt per student.^[1] I will not drone on about how student loan debt among Mainers has grown 94 percent in the past 10 years, from \$3.1 billion in 2008 to \$6 billion in 2018, according to a study by Experian, a credit agency."^[2] And I won't go into the fact that this exorbitant student loan debt, according to the nonpartisan study "Buried in Debt," has resulted in 9 of 10 student loan borrowers struggling to make payments, 6% having had their wages garnished due to student loan debt, and 18% of respondents report defaulting on at least one student loan.^[3]

We have volumes of research and personal stories to make that case.

Instead, I want to offer something different.

If we can all agree student loan is a massive problem, LD 995 seems like the least this Legislature could do. I have been working in the Maine Legislature for nearly 10 years, and for the past 10 years I have heard every session that student loan debt will be a major issue. Sadly, over that ten-year period little has been done. The best thing we could do to drive down student debt is once again invest in our public

^[1] Please see, Institute for College Access and Success, found here: <https://ticas.org/posd/map-state-data#>

^[2] Please see Bangor Daily News, "Student Loan Debt Almost Doubled in Past 10 Years," 2/8/2019, found here: <https://bangordailynews.com/2019/02/08/business/student-loan-debt-in-maine-has-almost-doubled-in-past-10-years/>

^[3] Please see, "New Report Finds Student Debt Burden has Disastrous Domino Effect on Millions of Americans," found here: <https://www.forbes.com/sites/dianahembree/2018/11/01/new-report-finds-student-debt-burden-has-disastrous-domino-effect-on-millions-of-americans/#7f70528c12d1>

higher education systems, but sadly the Legislature has done the opposite and has curtailed funding for our public colleges and universities. There has been much talk about student loan bonds, but those have been killed off before voters have had a chance to weigh in. Just last year, a bill similar to this one was passed by a majority in the Senate, under the hammer in the House, but then vetoed and the Senate was unable to override the veto.

Now is the time to act. Now is the time to pass this bill and at least create some help for student loan borrowers to deal with their student loan servicers. This bill will represent at least some progress on this critical issue – progress that has sadly eluded the Legislature and the impacted students for too long.