

Get On Your Feet (SB20-004)

Testimony to the Senate Finance Committee
Tyler Jaeckel, Director of Policy and Research
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Thank you for the opportunity to testify today. I am Tyler Jaeckel, the director of policy and research at the Bell Policy Center. The Bell Policy Center provides policymakers, advocates, and the public with reliable resources to create a practical policy agenda that promotes economic mobility for every Coloradan.

I am here to urge you to support [SB20-004, Get On Your Feet](#), a bill that would establish a short-term student loan repayment program in Colorado to support new graduates when starting their careers, a business, or a family. This bill relates to two major problems facing the current and future generations of Coloradans:

1. **The jobs of tomorrow require more postsecondary degrees.** By next year, an [estimated 74 percent of all jobs](#) in Colorado will require some level of postsecondary education and training. Colorado has the [second largest postsecondary attainment](#) gap between white and Latinx students in the country. The financial burden of postsecondary education is one cause behind the attainment gap.
2. **Colorado's funding for higher education has reached historic low levels.** Adjusted for inflation, state per-capita spending has declined by 51 percent since 1992. In that time, Colorado went from 31st in the country to 45th in the country in per-capita spending.

Unfortunately, we have chosen to solve these problems on the backs of students themselves. Total student loan debt held by [Coloradans is up almost sixfold since 1999](#). The share families pay for tuition has more than doubled since 2000-2001, going from 32 percent to 68 percent.

Although educational attainment has risen across almost every group in the last 20 years (black, white, Asian, Latinx), [average earnings have decreased](#). As the perceived value of degrees rises and their true market value decreases, student loans have become one of the primary means for advancement. Fifty-six percent of Coloradans graduate with over [\\$30,000 in student loans](#). Without large wage gains to lessen the burden of student debt, student debt holds generations back from starting businesses, buying a home, starting a family, or returning to rural communities in our state.

The Get On Your Feet bill is a start in the right direction. It's not a student loan forgiveness program, but rather provides an extremely important boost to recent graduates in starting to build their careers and lives in Colorado.

It also sets graduates down the path of the most beneficial loan repayment options for many students, income-based repayment plans. There is sadly [too much evidence](#) that many loan servicers haven't been directing graduating students toward these plans, even though they are the most financially beneficial for those individuals.

In order to help current and future generations succeed, we ask you support this bill moving forward.