

Higher Education and Employment Advancement Committee

Public Testimony of Connecticut Women's Education & Legal Fund (CWEALF)

S.B. 250: An Act Concerning Student Loan Debt Reimbursement For Connecticut Residents Who Graduated From A State University

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The Connecticut Women's Education and Legal Fund (CWEALF) is a statewide nonprofit that advocates for and empowers women and girls in Connecticut, especially those who are underserved or marginalized. For forty-eight years, CWEALF has been a leading advocate for policies that advance the economic security of women across our state and promote gender equity in the workplace.

We urge the committee to support *S.B. 250 An Act Concerning Student Loan Debt Reimbursement For Connecticut Residents Who Graduated From A State University*.

Currently, 540,900 Connecticut residents hold approximately \$19.3 billion dollars in student loan debt, nearly the size of the General Fund budget.¹ This equates to 15% of the Connecticut population holding an average debt of \$35,681 per person.² Although there is no data specific to student loan debt and women in Connecticut, on a national level, women hold two-thirds of the outstanding U.S. student loan debt, or roughly \$929 million dollars². Student loan debt afflicts women, especially women of color, who pursue higher education as a means to progress their careers and strive to achieve generational wealth.

With the recent inflation rates, and lack of cost-of-living adjustments while working Connecticut, student loan debt becomes the biggest burden for recent graduates and often the number one reason why many look for work outside of Connecticut once complete with their higher educational pursuits.

Connecticut universities and community colleges have consistently increased tuition and fees steadily each year. The cost to attend the University of Connecticut has increased 39% since 2015 and similarly on an upward trend, the cost to attend any Connecticut state University has increased 23%.³ Despite the fact that pursuing higher education is a personal choice, individuals enroll in higher education to better contribute to communities, the economy and contribute to our state to push forth equitable change. The burden of

student loan debt to achieve academic and professional success is further compounded with a gender pay gap women experience immediately upon graduation. Overall in 2020 Connecticut women were paid just 83 cents for every dollar paid to a man.⁴ The gender wage gap is significantly more severe for women of color in the state: Latina women on average earn 43 cents and Black women 56 cents for every dollar a white, non-Hispanic man earns.⁵ Therefore, not only are women holding significant amounts of debt upon achieving their degrees, they are also met with less economic resources in the labor market to repay their loans.

Despite many of Connecticut student's academic and professional achievements, 31% of 2020 graduates remained unemployed in the fall of 2021, a 22% increase from 2019.⁶ CWEALF supports S.B. 250 as a vital piece of legislation that keep Connecticut college graduates in the state by incentivizing them through needed student loan reimbursements. However, we suggest the following edits to the current bills language:

- Expand the student loan reimbursements to include Master's Degrees from a Connecticut state university. According to the Center for American Progress, graduate programs account for 40% of federal student loans issued each year. In the most recent year recorded on graduate degrees awarded, 574,498 graduate degrees were earned by women compared to 411,538 master's/doctoral degrees earned by men- that is, women earned 40% more of the graduate degrees.⁷
- Lower the hours of volunteer hours in an approved nonprofit organization to 75 hours per participation year, unless internships or volunteer work completed through the completion of the degree program while the student is enrolled in school is considered. One hundred hours of volunteer work is cumbersome to recent graduates who are often working multiple jobs to make ends meet and contributes to burn out culture.

Connecticut has the opportunity to lead in supporting women pursuing higher education and promoting their opportunity to benefit the state with their skills in the labor market. CWEALF urges the committee to support S.B. 250 and consider language revisions in order to ensure a more equitable and inclusive bill to all Connecticut residents pursuing higher education in a state university.

1 Office of Legislaarch & Office of Fiscal Analysis (2022, January 27). *Student Loan Debt Relief*. Retrieved from https://www.cga.ct.gov/hed/related/20220127_Forum%20Student%20Loan%20Debt%20in%20the%20Time%20of%20COVID%2019/Office%20of%20Legislative%20Research%20and%20Office%20of%20Fiscal%20Analysis.pdf

2 AAUW, Deeper in Debt. 2020 Update. Retrieved from: https://www.aauw.org/app/uploads/2020/05/Deeper_In_Debt_FINAL.pdf

3 see note 1

4 <https://nwc.org/issue/equal-pay-and-the-wage-gap/>

5 see note 4

6 see note 1

7 <https://www.americanprogress.org/article/graduate-school-debt/>