

Highlights of HB 213: Promotion of Student Loan Forgiveness

- **Utah residents need the Legislature to lead on student debt.**
 - By passing this bill we can ensure that eligible student loan borrowers know Public Service Loan Forgiveness (PSLF) could be an option for them.
 - This bill can save eligible borrowers thousands of dollars.

- **Student debt in Utah hinders the state's economy as well as the financial freedom of our residents.**
 - Student debt prevents people from achieving financial independence, buying property, starting businesses, and otherwise investing in our state's economy.
 - In Utah over 177,000 residents owe more than \$10,000 on their student debt.¹
 - There are more than 287,000 student loan borrowers in Utah and their total outstanding student loan debt is \$8.7 billion.²
 - About 1-in-10 student loan borrowers in Utah (about 26,600 people) are over the age of 50.³

- **The Promotion of Student Loan Forgiveness bill is a solution for the thousands of Utah workers described above.**
 - PSLF covers non-profit and public workers. As the governing body that makes policy covering all public workers in the state, the Utah legislature has a unique ability to help make PSLF more accessible to those who need it most.
 - Borrowers need support. In 2018, 28 percent of applications for PSLF were denied due to missing or incomplete information on their Employment Certification Form.⁴ This bill provides the Utah legislature a unique opportunity to support borrowers from the burden of student debt.

- **This bill can help build trust between employees and employers.**
 - In order apply for PSLF borrowers must submit an Employment Certification Form to the federal Department of Education.
 - By requiring that eligible employers give notice of PSLF, borrowers who must get their employer's certification may feel more compelled to complete this paperwork by virtue of knowing that their employer understands the value of PSLF and cares about their financial well-being.
 - PSLF helps people who work for non-profits and governmental organizations. Many public service employees, however, don't know that they could have the remaining balance on their Direct Loans forgiven after 120 qualifying monthly payments under a qualifying repayment plan through PSLF. Reminding these public servants of this benefit could be an incentive to keep them in the public service.

¹ <https://studentaid.ed.gov/sa/sites/default/files/fsawg/datacenter/library/Portfolio-by-Location-by-Debt-Size.xls>

² <https://studentaid.ed.gov/sa/sites/default/files/fsawg/datacenter/library/Portfolio-by-Location.xls>

³ <https://studentaid.ed.gov/sa/sites/default/files/fsawg/datacenter/library/Portfolio-by-Location-by-Age.xls>

⁴ <https://ifap.ed.gov/eannouncements/091918FSAPostsNewReportstoFSADDataCenter.html>