



## AFT New Jersey, AFL-CIO

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My name is Lucye Millerand: I am Secretary of the American Federation of Teachers New Jersey and President of AFT Local 1766, the Union of Rutgers Administrators. I thank you for the opportunity to speak to the committee in support of student debt relief. This legislation would repeal the provision our state's law which requires the suspension of professional licenses held by New Jerseyans who go into default—or even those who “fail to repay” their student loans.

I am not going to recite the statistics on student debt to the members of the committee: **43 million** people in this country with student debt, **1 in 5** in default, and **\$1.3 Trillion** in total student debt. I'm going to talk about solutions—and this bill is a small but important step toward ending the student debt crisis.

It seems pretty obvious that when someone who has a profession – from lawyer to plumber to optometrist—is in debt for their education it is A GOOD THING TO KEEP THEM WORKING. If they keep working they can pay back their loans. If they are banned from their profession, they cannot. Could it be simpler?

This proposal will not give immunity to license-holders in forbearance or default,

- It will not forgive their debt.
- It will not stop garnishment of wages, or the “offsetting” of income tax refunds to pay down the defaulted debt.
- It will not reduce the total amount of student debt in New Jersey
- It will not provide bankruptcy protection for student debtors – the kind of protection that is available for Americans with credit card debt, mortgage debt or a failed business. It won't

American Federation of Teachers New Jersey (AFTNJ), AFL-CIO

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even bring student debt into line with all those other kinds of debt.

It will allow skilled, educated New Jerseyans just to stay on the grind—adjusting your spine, installing your central air, filing your taxes—and to pay for the education that taught them how do those jobs and do them well enough to hold their state license.

In the long run, MORE monies will be paid back to HESAA and to the federal government as well. In the long run, professionals who keep working and paying down on their loans will not lose their homes, will pay their taxes.

Last year, when AFT New Jersey met for our legislative conference, we learned that 22 states had these harsh, punitive, counterproductive laws on their books. Since then, Montana repealed theirs. I urge you to support this legislation, particularly the provisions repealing the suspension of state-issued licenses. We can and must make New Jersey a leader in fixing the student debt crisis.

9/8/16