

# **Duckworth helps reintroduce the bank on Students Emergency Loan Refinancing Act**

May 22 2017 2:38 PM



*Legislation would enable as many as 25 million Americans burdened with student loans to save an average of \$2,000*

WASHINGTON, D.C. — U.S. Senator Tammy Duckworth (D-IL) joined U.S. Senator Elizabeth Warren (D-MA) and Congressman Joe Courtney (CT-2) last week in reintroducing the Bank on Students Emergency Loan Refinancing Act to enable Americans with outstanding student loan debt to refinance their loans at more affordable interest rates. The legislation is fully paid for by eliminating tax loopholes for millionaires and billionaires. The Department of Education has estimated that around 25 million borrowers would take advantage of the opportunity to refinance their loans under this legislation, saving an average of \$2,000.

**“I know how tough it is to pay for college – I put myself through college with student loans, grants, and a heck of a lot of waitressing – and I’m still paying off my student loans today,”** said Senator Duckworth. **“Every day, an affordable education is growing further and further out of reach for middle-class families, limiting young Americans’ prospects for the future and threatening both our economic growth and global competitiveness. This common-sense legislation will make college more affordable, which should be one of our top priorities in this nation.”**

During the 114th Congress, Duckworth introduced a comprehensive college affordability proposal – the In The Red Act (H.R. 5106) – which included the Bank on Students Emergency Loan Refinancing Act. When the Bank on Students Emergency Loan Refinancing Act was previously introduced in the 113<sup>th</sup> Congress, it gained overwhelming support from Senate Democrats as well as from three Senate Republicans but fell just short of clearing a Republican filibuster. As Duckworth outlined yesterday during her commencement address at the George Washington University, the amount of student debt has only gotten worse since then, swelling to over \$1.3 trillion and surpassing the total amount of credit card debt. Nearly 70% of college seniors graduated with debt in 2015, with an average outstanding balance of more than \$30,000 – and one in seven borrowers defaults on federal student loans within three years of beginning repayment.

Even though the federal government is by far the biggest student lender, it offers no refinancing option. Private refinancing options are also extremely limited and federal borrowers cannot participate without sacrificing important consumer protections on federal student loans. This bill addresses those issues and has been endorsed by dozens of organizations including the National Education Association, the AFL-CIO, the

National Association of Realtors, the American Federation of Teachers, Center for Responsible Lending, the Service Employees International Union, Young Invincibles, League of United Latin American Citizens, and the American Association of University Professors.

Other sponsors of the legislation in the Senate include Senators Tammy Baldwin (D-WI), Michael Bennet (D-CO), Richard Blumenthal (D-CT), Cory Booker (D-NJ), Sherrod Brown (D-OH), Ben Cardin (D-MD), Bob Casey Jr. (D-PA), Catherine Cortez Masto (D-NV), Dick Durbin (D-IL), Al Franken (D-MN), Kirsten Gillibrand (D-NY), Kamala Harris (D-CA), Maggie Hassan (D-NH), Martin Heinrich (D-NM), Heidi Heitkamp (D-ND), Mazie Hirono (D-HI), Amy Klobuchar (D-MN), Patrick Leahy (D-VT), Joe Manchin (D-WV), Ed Markey (D-MA), Bob Menendez (D-NJ), Jeff Merkley (D-OR.), Chris Murphy (D-CT), Patty Murray (D-WA), Gary Peters (D-MI), Jack Reed (D-RI), Bernie Sanders (I-VT), Chuck Schumer (D-NY), Jeanne Shaheen (D-NH), Debbie Stabenow (D-MI), Tom Udall (D-NM), Chris Van Hollen (D-MD), Sheldon Whitehouse (D-RI) and Ron Wyden (D-OR).