



# U of I, NEA, & growing list of stakeholders back Davis' Bill to reduce student debt

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**Washington, DC-** Support is growing for U.S. Rep. Rodney Davis' bill, [the Employer Participation in Repayment Act](#), which would incentivize employers to offer student loan assistance to help their employees pay off student loan debt. Gradifi, a leading provider of student loan and college saving employee benefits, [announced their support](#) last week.

“The Employer Participation in Repayment Act is game-changing legislation that will provide the opportunity of relief for millions of Americans struggling with student loan debt and will motivate many more employers to offer a student loan repayment benefit,” **said David Chang, Chief Executive Officer of Gradifi.** “Excluding employer student loan payments from gross income will make this employee benefit more affordable and has been the missing incentive preventing many companies from offering this benefit.”

An employer contributing \$100 per month would help an employee with \$26,500 – the median amount borrowed for a bachelor’s degree – get out of debt three years faster, saving over \$10,000 in principal and interest over 10 years assuming a 4% interest rate.

[Click here](#) to read the entire AP article.

“I applaud Rep. Rodney Davis for sponsoring legislation that would help students pay back their loans,” **said University of Illinois System Executive Vice President Barb Wilson.** “The University of Illinois System is committed to helping students afford college, which is why we are planning our fifth straight year of an in-state undergraduate tuition freeze. We are delighted to work with Rep. Davis and the rest of our congressional delegation to advance common-sense proposals that will enhance student access to transformational experiences in colleges and universities across the country.”

“Too many individuals and families are being hindered by the financial burden of their post-secondary education. Student borrowers deserve access to a broad range of repayment options and loan forgiveness programs that address their variety of needs,” **said Marc Egan, Director of Government Relations, National Education Association (NEA).** “The NEA is proud to support Congressmen Scott Peters, Rodney Davis, Senators Mark Warner, and John Thune in creating new pathways for individuals to repay their student loans to make college more affordable and accessible for all.”

“The National Association of Independent Colleges and Universities fully supports The Employer Participation in Student Loan Assistance Act of 2019 and Reps. Peters and Davis’s efforts to expand IRC Sec. 127 to allow employers to offer both tuition and loan repayment assistance to their employees. Incentives like Sec. 127 encourage employers to invest in the education and training of employees at all levels, which ultimately benefits society and the economy. Expanding this benefit to allow employees to also use this tax-free assistance for student loan repayment helps the employees at two vital stages of financing their education. Improving this benefit will encourage more employer and employee participation, and result in a more educated and skilled workforce across the U.S.,” **said Dr. David L. Warren, President, National Association of Independent Colleges and Universities (NAICU).**

“The National Association of College and University Business Officers (NACUBO) commends Sen. Mark Warner and Rep. Scott Peters for introducing the Employer Participation in Repayment Act. The benefits currently offered by Section 127 of the tax code are an important tool for employers to attract the best possible employees and build a skilled workforce. While Section 127 is currently a valuable tool in supporting U.S. competitiveness it could, upon passage of the Employer Participation in Repayment Act, become the benefit of choice for tuition assistance and loan repayments among employers. Expansion of Section 127 would benefit employers, employees, students, and families, and help both institutions of higher learning and the U.S. workforce retain a top spot on the global stage,” **said Susan Whealler Johnston, PhD, President and CEO, National Association of College and University Business Officers (NACUBO).**

“The enhanced ability for employers to contribute to student loan repayment represents an important opportunity to reduce student debt levels. We commend Senator Warner and Representative Peters for looking into this issue, as it may assist many community college students who borrow to pay for the cost of attendance of postsecondary education,” **said J. Noah Brown, President & CEO, Association of Community College Trustees.**

“Students shouldn't be forced to look toward a future of being stuck in debt, especially when we have so much to offer the workforce and the world. As the cost of a college education continues to rise, it is increasingly vital that students have access to programs

and resources to assist in loan repayment and forgiveness. The Association of Big Ten Students supports the efforts of Congressmen Rodney Davis and Scott Peters and Senators John Thune and Mark Warner in making a debt-free life more accessible for all and encourages the implementation of programs to reduce student loan debt across the country,” **said Sarah Henry, Director of Legislative Affairs, The Association of Big Ten Students.**

“In today’s competitive job market, leading-edge benefits are the most powerful tool employers can wield to attract and retain talented workers. At SHRM, we advocate for efforts that create better workplaces and a better world. We strongly support The Employer Participation in Repayment Act, and I applaud Representatives Peters and Davis, and Senators Warner and Thune for their bold leadership on this critical issue. Expanding employer education assistance helps address the skills gap, which is holding back both workers and employers. When employers are able to help workers pay off student debt, more people will have confidence to pursue higher education and be better prepared to fill high-skilled fields,” **said Johnny C. Taylor, Jr., SHRM-SCP, President and Chief Executive Officer, Society for Human Resource Management (SHRM).**