



Date: March 18, 2015
To: House Higher Education, Innovation & Workforce Development Committee
Chair Read and Members
From: Laurie Wimmer, OEA Government Relations
RE: *HB 3342 [Education Loan Subtraction]*

On behalf of OEA's 42,000 members, it is my honor to testify in support of HB 3342, which would assist taxpayers in their struggles to repay higher education loan debt.

We know that the college debt load in America now exceeds consumer debt – a startling and discouraging statistic, especially in a state whose statutory goal is that 40 percent of its citizens will hold degrees of a bachelor's or beyond in just 10 short years. It is said that a hallmark of the middle class – home ownership – will elude our college students until they reach their 50s. This clash of realities bodes ill for our futures, their futures, and the economy and well-being of the state.

HB 3342 cannot solve this problem, but it could offer relief, especially in conjunction with the federal deduction. We support this effort for this reason, and because the bill seeks to offer this relief in a revenue-neutral and fair way: through a phase-out of the mortgage interest deduction at the high-earner end of the scale. The nexus between the pursuit of a higher education leading to a "middle class" life and the source of the revenue to ease this transition – a preferential tax break for those who need it the least – makes eminent sense in a world that has widened the gap between rich and poor and has nearly erased our country's formerly strong middle class.

On behalf of our students, who will one day be seeking those loans to pursue their educations, and on behalf of our state, which needs them to do so, we hope you will join us in supporting this common-sense approach to college loan debt relief.

Thank you.