



Governor's Task Force on Student Debt

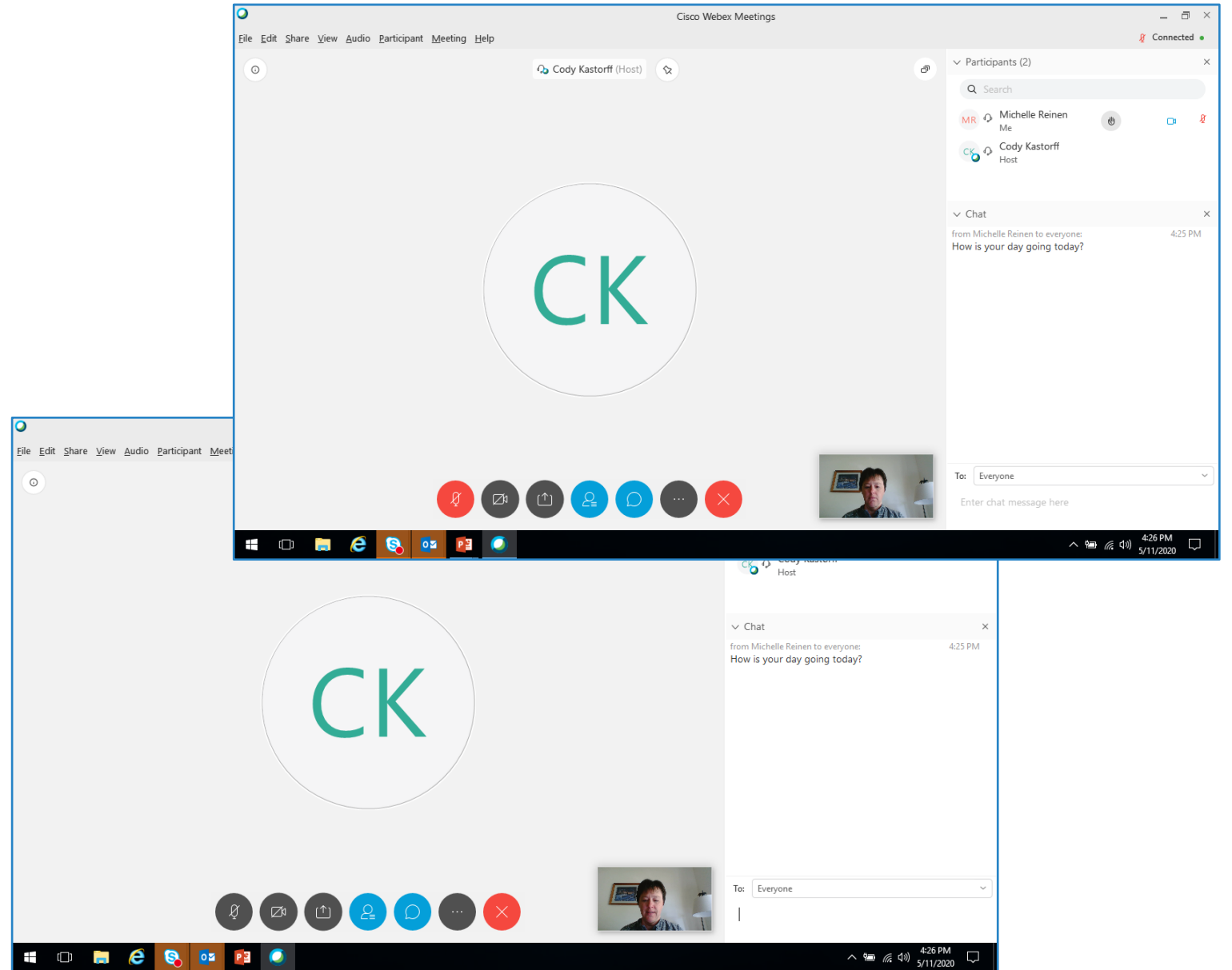
WELCOME

MAY 13, 2020

Housekeeping

- WebEx Basics
- Roll-Call & Introductions of Task Force Members
- Meeting Ground Rules

WebEx Basics



Meeting Ground Rules

- Respectful Communication
- Active Listening
- Attendance and Participation
- No Multitasking = Silence Cellphones, Turn-Off Email
- Creativity and Open Mindedness
- Preparation (Pre-Work)

Executive Order #67



OFFICE OF THE GOVERNOR

EXECUTIVE ORDER #67

Relating to the Creation of the Governor's Task Force on Student Debt

WHEREAS, nationally 45 million students owe approximately \$1.6 trillion in student loan debt;

WHEREAS, student debt disproportionately affects students of color, low-income students, first-generation college students, women, veterans, and seniors;

WHEREAS, the average amount of student loan debt held by former students increased by nearly 85 percent between 2006 and 2018;

WHEREAS, according to a study by The Institute for College Access & Success for the class of 2018, 64 percent of students in Wisconsin graduated with student loan debt and averaged \$31,705 in student loan debt;

WHEREAS, one in five students in the United States are behind on their student loan payments;

WHEREAS, increasing tuition costs for students contributes not only to growing student loan debt, but personal debt more broadly as students rely on credit cards or other means to pay for tuition, housing, and other necessities while in school;

WHEREAS, 36 percent of college students in the United States say they have more than \$1,000 in credit card debt, and in 2019, credit card delinquency hit an eight-year high with more than eight percent of balances held by people ages 18 to 29 hitting serious delinquency after going more than 90 days overdue without payment;

WHEREAS, the consequences of student debt are not isolated to students as more families are taking on more debt to help their kids pay for school;

WHEREAS, in 2019, Parent PLUS Loan debt averaged \$25,600 with more than three million parents owing approximately \$88.9 billion in Parent PLUS Loans; and

WHEREAS, the financial burden of student debt has broad, adverse consequences for our state and our country's economies, including weakened spending and wealth accumulation, decreased home ownership, further entrenched income disparities, stifled entrepreneurship, and limitations on the ability of individuals to retire securely, among other negative effects.

NOW, THEREFORE, I, TONY EVERS, Governor of the State of Wisconsin, by the authority vested in me by the Constitution and the laws of the State, including Section 14.019 of the Wisconsin Statutes, do hereby create the Governor's Task Force on Student Debt ("Task Force"), and order the following:

1. The Task Force shall be chaired by the Secretary of the Department of Financial Institutions or a designee. The Task Force membership shall be appointed by the Governor to serve at the pleasure of the Governor. The Task Force membership shall consist of:
 - a. The Governor or a designee;
 - b. The Executive Director of the State of Wisconsin Higher Educational Aids Board or a designee;
 - c. The Secretary of the Department of Agriculture, Trade, and Consumer Protection or a designee;
 - d. The State Superintendent of the Department of Public Instruction or a designee;
 - e. The Secretary of the Department of Veterans Affairs or a designee;
 - f. The President of the University of Wisconsin System or a designee;
 - g. The President of the Wisconsin Technical College System or a designee;
 - h. The President of the Wisconsin Association of Independent Colleges and Universities or a designee;
 - i. Two members of the Wisconsin State Assembly, one representing each caucus;
 - j. Two members of the Wisconsin State Senate, one representing each caucus;
 - k. One representative from a Wisconsin Tribal Nation; and
1. Other individuals appointed by the Governor in consultation with the Secretary of the Department of Financial Institutions to serve at the pleasure of the Governor, who may include individuals representing the business community, the academic community, the financial services industry, student loan borrowers, and parents of student loan borrowers.
2. The Task Force shall do the following:
 - a. Assess the causes of student debt and the challenges student debt creates for Wisconsinites, their families, and our state economy.
 - b. Evaluate the effectiveness of current policies relating to student debt.
 - c. Research best practices from industry, academia, and other states on reducing the burden of student debt.
 - d. Provide recommendations regarding:
 - i. How the state can best address the student debt crisis for Wisconsinites and their families;

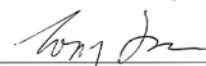
- ii. Improving the State's financial literacy education and academic and career planning offerings and requirements that could help reduce the amount of debt taken on by Wisconsinites and their families;
- iii. Strategies for borrowers that could help reduce loan and education-related defaults and other negative consequences for Wisconsinites;
- iv. Strategies aimed at our most vulnerable populations struggling with student debt, including students of color, low-income students, first-generation students, women, veterans, and seniors;
- v. The State's role in preventing abusive practices and ensuring that loan companies do not take unreasonable advantage of borrowers;
- vi. Improving data collection and sharing on when and why student loan borrowers default to help borrowers, regulators, and law enforcement officials spot emerging risks;
- vii. The State's role in maintaining affordable and high-quality higher education institutions in the State that are financially accessible to Wisconsin families, including effective state support to higher education institutions and state-based financial aid;
- viii. Other programmatic and budgetary recommendations for consideration by the Governor and Legislature; and
- ix. Any other steps to address the student debt crisis in Wisconsin.



By the Governor:


DOUGLAS LA FOLLETTE
Secretary of State

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great seal of the State of Wisconsin to be affixed. Done in the Village of Pewaukee this twenty-ninth day of January in the year of two thousand twenty.


TONY EVERS
Governor

Governor's Task Force Appointments

- Department of Financial Institutions (DFI) Secretary [Kathy Blumenfeld](#)
- Office of the Governor Designee [Derek Campbell](#), Policy Advisor
- Higher Educational Aids Board (HEAB) Executive Secretary [Connie Hutchison](#)
- Department of Agriculture, Trade and Consumer Protection (DATCP) Designee [Lara Sutherlin](#), Administrator, Trade and Consumer Protection
- Department of Public Instruction (DPI) State Superintendent Designee [Keona Jones](#), Assistant State Superintendent
- Department of Veterans Affairs (DVA) Designee [Larry Graves](#), Education Consultant
- University of Wisconsin System Designee [Jeff Buhrandt](#), Senior Director, State Relations
- Wisconsin Technical College System (WTCS) Board Designee [Brandon Trujillo](#), Policy Advisor
- Wisconsin Association of Independent Colleges & Universities (WAICU) Designee [Rebecca Larson](#), Senior Vice President for Advocacy
- State Representative [Joan Ballweg](#)
- State Representative [Dianne Hesselbein](#)
- State Senator [Jeff Smith](#)
- Wisconsin Tribal Nation Designee [Shannon Holsey](#), President of Stockbridge-Munsee
- [Masood Akhtar](#), Director, United Against Hate
- [Keyimani Alford](#), President, WASFAA and Director of Student Financial Support Services, Madison College
- [Karen Bauer](#), Staff Attorney, Legal Aid Society of Milwaukee
- [Jodi Chung](#), Legal Assistant, Moen Sheehan Meyer
- [Lucy Fenzl](#), Interim Dean of Letters and Science at College of Menominee Nation
- [Renee Gasch](#), Media Consultant
- [Austin Hammond](#), Student, UW-Oshkosh
- [Maricha Harris](#), Lead Community Relations Analyst, Goodwill of SE Wisconsin
- [Rene Howard-Paez](#), Diversity Director, Marquette University High School
- [Silbi Isein](#), Student, UW-Milwaukee
- [Derek Kindle](#), UW-Madison Vice Provost for Enrollment Management
- [Paul Kundert](#), President & CEO, UW Credit Union
- [Kevin McShane](#), Vice President of Financial Aid & Compliance, Herzing University
- [Jamie Miller](#), Bankruptcy Attorney
- [Michael Moderski](#), President and COO, McFarland State Bank
- [Michael Rosen](#), Retired Economics Professor and Former Union President
- [Alexzandra Shade](#), Director, Corporate Social Responsibility, CUNA Mutual Group

Task Force Meeting Schedule

Meeting	Date	Time	Agenda Focus
Meeting #1	May 13, 2020	10 a.m. – 1 p.m.	Student Debt Immersion & COVID-19 Response
Meeting #2	May 27, 2020	10 a.m. – 1 p.m.	Affordability and Disparate Impacts
Meeting #3	June 3, 2020	10 a.m. – 1 p.m.	State Best Practices, Repayment & Refinancing
Meeting #4	June 24, 2020	10 a.m. – 1 p.m.	Consumer Protection & Loan Oversight
Meeting #5	July 8, 2020	10 a.m. – 1 p.m.	ISA, Tax Incentives, Employee Benefits
Meeting #6	July 22, 2020	10 a.m. – 1 p.m.	Revisit Proposed Solutions from Meetings #3-5
Meeting #7	August 5, 2020	10 a.m. – 1 p.m.	Review Recommendations
Meeting #8	August 12, 2020	10 a.m. – 1 p.m.	TBD

Today's Agenda

Time	Description	Facilitator
10:00 a.m.	Welcome Remarks Introductions Ground Rules	Secretary Kathy Blumenfeld, DFI Michelle Reinen, DATCP
10:15 a.m.	Ethics Overview	Matt Lynch, DFI
10:30 a.m.	Shared Goals	Michelle Reinen, DATCP
10:45 a.m.	Student Debt Overview	Dr. Nick Hillman, Director, Student Success Through Applied Research (SSTAR) Lab, UW-Madison
11:45 a.m.	COVID-19 & Student Debt	Seth Frotman, Executive Director, Student Borrower Protection Center
12:00 p.m.	Break	
12:15 p.m.	Guest Speakers	Borrower Perspectives: <ul style="list-style-type: none">- Bree Stadler- Steven Ansorge- Tom Uecker
12:45 p.m.	Next Steps	
1:00 pm	Adjourn	



STUDENTS

PARENTS

EDUCATORS

RESPONSIBLE
BORROWING

RESOURCES

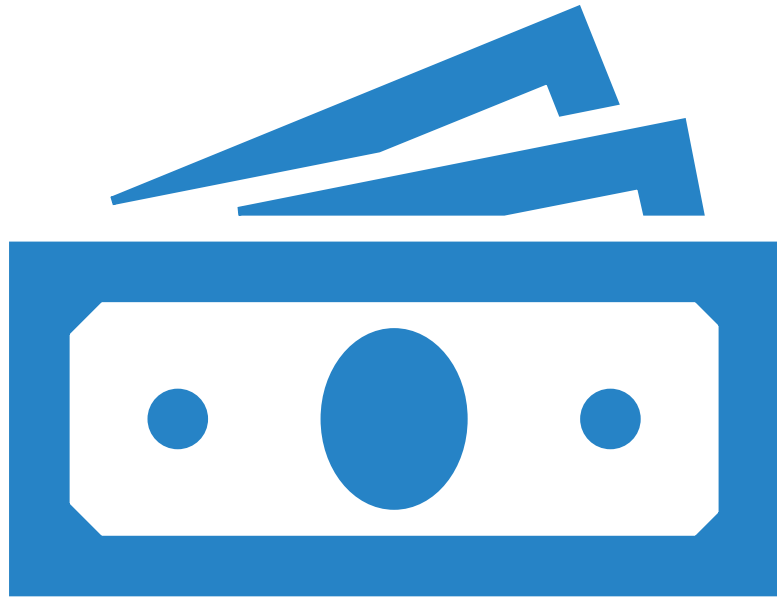
STUDENT DEBT
TASK FORCE

STUDENT DEBT TASK FORCE

The Governor's Task Force on Student Debt will assess the causes of student debt, provide long-term strategies to reduce education-related debt, find ways to prevent abusive practices by loan companies and improve loan education.

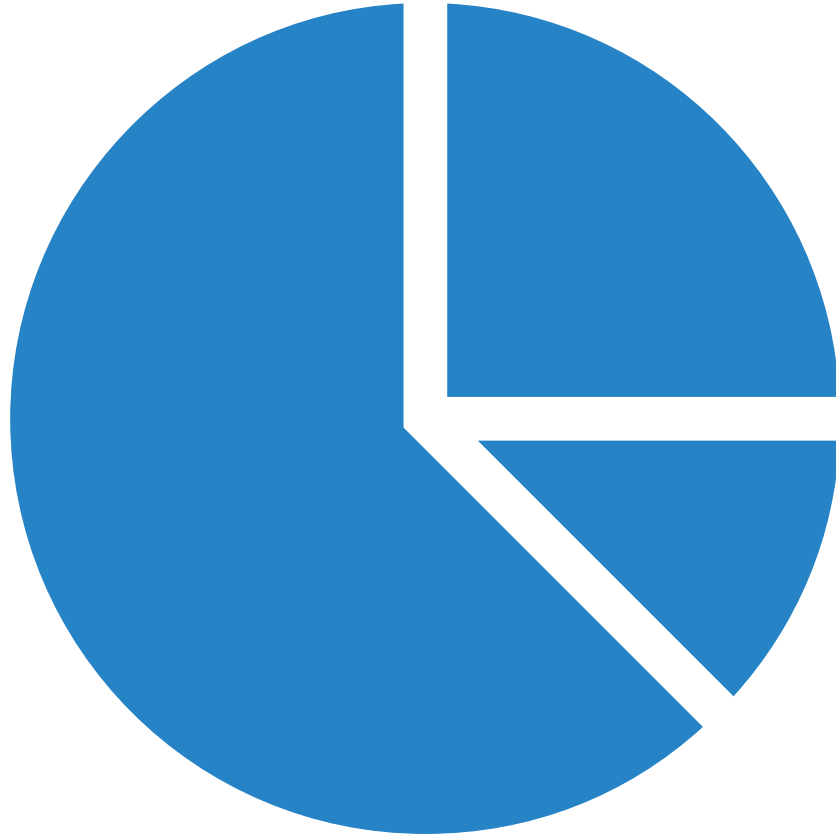
Task Force Website

WWW.LOOKFORWARDWI.GOV/STUDENT-DEBT-TASK-FORCE



More than \$24 Billion

AMOUNT OF STUDENT DEBT IN
WISCONSIN



53%

WISCONSINITES LIVE PAYCHECK
TO PAYCHECK



MULTI-GENERATIONAL
ISSUE



NOT SURE WHERE TO
TURN FOR TRUSTED
ADVICE



NEED FOR BORROWER
EDUCATION AT ALL
STAGES



NEED FOR BORROWER
PROTECTION



CREDIT CARD DEBT
COMPOUNDING
SITUATION



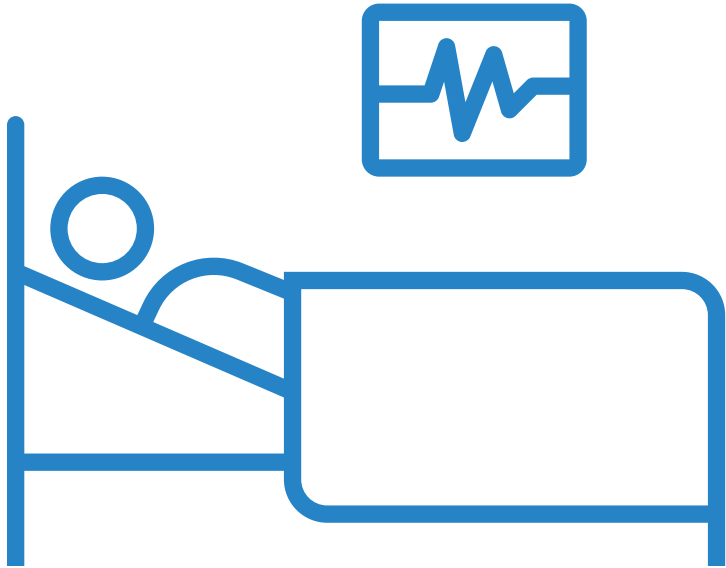
FRUSTRATION WITH
SERVICERS



LOAN FORGIVENESS
NOT ACHIEVED

Student Debt Listening Sessions

- Green Bay
- La Crosse
- Milwaukee
- Wausau



COVID-19

WILL HAVE A HUGE IMPACT ON CURRENT
AND FUTURE DEBT HOLDERS

DEBUT





Ethics Refresher for Task Force Members

MATT LYNCH

DFI CHIEF LEGAL

Protecting Public Access to Information

Key Provisions from Wis. Stat. SS. 19.32 to 19.35

Subject to limited exceptions, the public “has a right to inspect any record.”

A record is any material on which information or data is recorded, except for:

- “Materials that are purely the personal property of the custodian and have no relation to his or her office.”
- Notes and drafts for personal use.
- Unsolicited list-serve and other general public communications.
- Duplicates of records retained elsewhere.

Protecting Public Access to Information

Effect on Attached Boards

DFI is the records custodian for its attached boards.

All communications and materials you send to or receive from DFI are preserved by DFI.

You need to retain any records that:

- 1) You prepare, send or receive in connection with your status as a board member, and
- 2) Are not notes, drafts, or generalized list-serve emails, and
- 3) Were not received from or sent to DFI.

Protecting Public Access to Government

Key Provisions from Wis. Stat. SS. 19.82 to 19.98

“Every meeting of a governmental body shall be preceded by public notice” and – except for certain topics – must take place in open session.

The open-meetings law applies whenever:

- 1) Members meet for the purpose of engaging in board-related business, and
- 2) The number of members present is sufficient to determine the governmental body’s course of action.

Where to Go When Questions Arise

DFI OFFICE OF CHIEF LEGAL COUNSEL

Matthew Lynch

- 608.266.7968
- matthew.lynch@dfi.wisconsin.gov

WISCONSIN ETHICS COMMISSION

Web resource: www.ethics.wi.gov

- 608.266.8123
- ethics@wi.gov



Shared Goals

Examine	Examine past and present data to inform work and identify trends.
Consider	Consider the needs and impact of all populations and make sure all student populations have a voice.
Explore	Explore student borrowing options: need-based aid, subsidies, full tuition loan coverage, halt interest if payments are being made.
Explore	Explore other state solutions.
Propose	Propose new and innovate solutions to address the crisis.
Propose	Propose measures to help ease the current burden.
Prepare	Prepare low-income and first-generation students with financial options that work to their advantage.
Ensure	Ensure Wisconsinites are able to receive higher education moving forward without fear of encumbering excessive student debt.
Communicate	Communicate with Wisconsin students about managing debt and balancing financial goals.
Keep	Keep students informed about repayment plans, loan forgiveness, and laws surrounding their options.

Shared Goals



Student Debt Overview

DR. NICK HILLMAN, DIRECTOR

STUDENT SUCCESS THROUGH APPLIED
RESEARCH (SSTAR) LAB, UW-MADISON



COVID-19 & Student Debt

SETH FROTMAN, EXECUTIVE DIRECTOR
STUDENT BORROWER PROTECTION CENTER



Break



Bree Stadler



Steven Ansorge



Tom Uecker

Meeting #2:

May 27, 2020

10:00 a.m. – 1:00 p.m.

WebEx



Contact: StudentDebtTaskForce@dfi.wisconsin.gov



Feedback: Michelle.Reinen@wisconsin.gov

Next Steps



Thank you!
