Senate Joint Resolution No. 1

RESOLUTION CHAPTER 147

Senate Joint Resolution No. 1—Relative to student loan debt.

[Filed with Secretary of State September 17, 2021.]

LEGISLATIVE COUNSEL'S DIGEST

SJR 1, Allen. Student loan debt.

This measure would urge the President of the United States to protect student loan borrowers by taking executive action to cancel up to $50,000 of student loan debt per borrower.

WHEREAS, The United States is facing historic public health and economic crises caused by the COVID-19 pandemic; and

WHEREAS, Student loan debt in the United States has increased by more than 100 percent over the last 10 years; and

WHEREAS, The Federal Reserve estimates that in 2020, over 43 million people owed more than $1.7 trillion in student loans, up from $845 billion in 2010; and

WHEREAS, The United States Department of Education reports that as of September 2020, roughly one in ten borrowers with federal student loans were in default; and

WHEREAS, More than 3.5 million California borrowers owe $140.1 billion in federal student loan debt; and

WHEREAS, The average California borrower owes $36,351 in student loans, and over 500,000 California borrowers are behind on their student loan payments; and

WHEREAS, The increasing cost of higher education has created an unprecedented financial burden that represents a major drag on the economy, and has caused a generation to postpone traditional life milestones like buying a home, getting married, starting a family, and saving for retirement. In addition, graduates with student loan debt are often forced to settle for lower paying jobs to begin paying down debt, causing them to miss out on the benefits of having a degree; and

WHEREAS, In 2019, the Assembly announced a new Select Committee on Student Debt, making California the first state in the nation to create a legislative committee focused on the problems facing millions of borrowers struggling under historic student debt; and

WHEREAS, In March 2020, the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act put into place a pause on federal student loan payments and interest, which has since been extended through September 2021; and

WHEREAS, Democrats in the United States House of Representatives and United States Senate have introduced resolutions urging President Biden to broadly forgive up to $50,000 of federal student debt per borrower through executive action; now, therefore, be it

Resolved by the Senate and the Assembly of the State of California, jointly, That the Legislature urges the President of the United States to protect student loan borrowers by taking executive action to cancel up to $50,000 of student loan debt per borrower; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Majority Leader of the Senate, to each Senator and Representative from California in the Congress of the United States, and to the author for appropriate distribution.

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