

Public Testimony in Support of L.D. 149: An Act to Authorize a General Fund Bond Issue to Provide Student Debt Forgiveness to Support Workforce Attraction and Retention

Good afternoon members of the committee. I am Ryan LaRochelle from Dresden, and I am here to support L.D. 149.

Education is the key to upward mobility. Few investments yield as high a return as a college degree, and it can be a ticket out of poverty for some individuals.

But despite the benefits, a college degree still saddles millions of Americans with seemingly insurmountable student loan debt upon graduation. Over 44 million people owe more than \$1.5 trillion in student loan debt.¹ As a member of the millennial generation, I often hear older folks criticize people my age for our poor decisions. Why did we take out so much debt in the first place?

The answer to that is simple. It costs a lot to go to college today than it did in the past. The price of college has increased more than eight times faster than wages since the 1980s.²

To make things worse, student aid programs have not kept up pace. For example, in 1970 Pell Grants, the major form of aid for low-income college students, covered 80% of the cost of tuition, fees, room, and board at the average four-year public university. But today, Pell Grants only cover about 30% of those same costs.³ To put this in perspective, nearly one-third of the students at our state's flagship university receive Pell Grants.⁴ Those students are not getting the same type of benefit that students did thirty or forty years ago. Students today must borrow, because the types of aid programs that existed in the past are no longer as effective as they once were.

¹ Zack Friedman, "Student Loan Debt Statistics in 2018: A \$1.5 trillion crisis," *Forbes*, June 13, 2018.

² Camilo Maldonado, "Price of College Increasing Almost 8 Times Faster Than Wages," *Forbes*, July 24, 2018.

³ Suzanne Mettler, "The Polycscape and the Challenges of Contemporary Politics to Policy Maintenance," *Perspectives on Politics*, Vol. 14, No. 2 (June 2016), p. 374. See also Suzanne Mettler, *Degrees of Inequality How the Politics of Higher Education Sabotaged the American Dream* (New York, NY: Basic Books, 2014), pp. 51-56.

⁴ Institute for College Access & Success, "State by State Data: Maine," accessed May 8, 2019: <https://ticas.org/posd/map-state-data#>

I graduated in 2010 and earned my PhD in 2016. I still have roughly \$40,000 in student loan debt—all accrued as part of my undergraduate education—I did not take out a cent to pay for my PhD. I am now a faculty member at the University of Maine in Orono. I know dozens of students studying at UMaine right now who will graduate with tens of thousands of dollars in debt. The average amount of student debt for 2017 UMaine grads is over \$34,000. Graduates across the state average more than \$30,000 in debt—tenth highest in the nation.⁵

Students quickly realize that they probably cannot earn enough in Maine to pay down their debt, so they move elsewhere, creating a devastating brain drain. This bond proposal will make Maine attractive to young people. Companies in Portland or Bangor will never pay as much as those in Boston or Chicago, but people will see this program as an opportunity and choose to stay in Maine, which will improve our economy and move the state forward. Supporting LD 149 is a signal to younger generations—to my generation—that Maine is a place for us, and I strongly urge the committee to support the bond proposal.

Thank you very much for your time.

Sincerely,

Ryan LaRochelle, Ph.D.
61 River Rd.
Dresden, ME
ryan.m.larochelle@maine.edu

⁵ Institute for College Access & Success, “State by State Data: Maine,” accessed May 8, 2019: <https://ticas.org/posd/map-state-data#>