

To the distinguished members of the Banking Committee,

My name is Dhruvad Nag and I am the Political Director at Connecticut Working Families. I am here today to emphatically urge the Committee to issue a Joint Favorable Report on HB 5569, An Act Concerning the Student Loan Ombudsman, Student Loan Servicers, and Student Debt and HB 5566, An Act Concerning the Department of Banking. The specter of college loan debt has become far too large to ignore and direct actions needs to be taken immediately. I speak on this as a recent graduate of college, with a younger sister currently in college, and with a large set of friends and colleagues who are either unemployed or woefully underemployed with massive student loans to left to pay.

A fully-funded student loan ombudsman will be a vital first step towards financial freedom for the youngest members of our workforce. In particular, this will be especially valuable to many low-income communities of color that suffer from predatory lending and unscrupulous collection techniques. Many of these communities will benefit greatly from a student loan advocate given that years of austerity have left many bereft of college readiness resources.

Given the precipitous rise in income inequality, particularly for people of color, earning a college degree has become more important than ever in order to make a comfortable living with gainful employment. Students entering a workforce with depressed wages and considerable college loan debt will only exacerbate an already untenable situation. More and more, individuals are delaying buying cars, homes and having children, all which are fundamental drivers of our economy, because their debt leaves them in a financially precarious position. While this will not be a panacea, it is a much needed step in the right direction in stemming the tide of rising college student loan debt.

I firmly urge the Committee to do the right thing and issue a joint favorable review for HB 5569 and HB 5566. It is imperative that these bills be passed during this current session.

Thank you,  
Dhruvad Nag  
Political Director, CT Working Families  
Cheshire