



Legislation Text

File #: Res 1432-2017, **Version:** *

Res. No. 1432

Resolution calling upon the New York State Legislature to pass and the Governor to sign A.4299, an act to amend the Education Law, in relation to establishing the New York college debt repayment program.

By Council Member King

Whereas, At the end of 2016, the Federal Reserve Bank of New York (FRBNY) reported that more than 44 million American borrowers had over \$1.3 trillion in college student loan debt, of which 11.2 percent was delinquent or in default; and

Whereas, Nationally, the average college student borrower has \$26,700 in student loan debt and the average college student in the Class of 2016 has \$37,172 in student loan debt, a six percent increase from last year; and

Whereas, In New York, according to a 2016 report by the State Comptroller, from 2006 to 2015 student loan debt more than doubled to \$82 billion and the number of student loan borrowers rose by more than 41 percent to 2.8 million; and

Whereas, As of 2015, the average New York City (NYC) borrower had \$35,100 in student loan debt, a 43 percent increase from 2006; and

Whereas, The delinquency rate among NYC student loan borrowers rose by more than 30 percent from 2006 to 14.5 percent in 2015; and

Whereas, Nationally, average tuition, fees, room and board costs nearly doubled for in-state students at public four-year institutions, and by 14 percent at four year institutions from 2004-05 through 2013-14, according to the National Center for Education Statistics; and

Whereas, In New York, average tuition, fees, room and board costs grew by nearly 55 percent for in-

state students at public four-year institutions, and by more than 50 percent at private four-year institutions from 2005-06 through 2014-15; and

Whereas, These increasing costs for college students were more than twice the rate of inflation over the same decade; and

Whereas, From 1990 to 2015, student debt for bachelor's degree recipients aged 22 to 27 employed full-time significantly outpaced wage growth as median wages increased by 1.6 percent while median debt rose by 164 percent, after adjusting for inflation; and

Whereas, As student debt grows, it is projected that the cost of higher education will continue to outpace inflation and wage growth; and

Whereas, A.4299, introduced by State Assembly Member Marcos Crespo and pending in the New York State Assembly, would establish the New York college debt repayment program; and

Whereas, The legislation would effectively expand the New York State 529 College Savings Program to allow beneficiaries and their families to continue contributing to individual tax-free investment accounts for qualified higher education expenses after leaving college; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the New York State Legislature to pass and the Governor to sign A.4299, an act to amend the Education Law, in relation to establishing the New York college debt repayment program.

LS #10199
3/22/2017
CGR