

MOTION BY SUPERVISOR HILDA L. SOLIS

August 9, 2022

**Proclaim August 2022 as Student Loan Debt Awareness Month in Los Angeles**

**County**

Nearly four million Californians carry over \$145 billion in student loan debt, and a college student today, on average, graduates with over \$38,530 in student loan debt. Black and Latino borrowers disproportionately take out more student loans than other populations to access higher education and frequently experience higher rates of delinquency and default. According to the Federal Reserve Bank of New York, in Los Angeles, borrowers in majority-minority zip codes have greater percentages of those in default than borrowers from majority-white zip codes<sup>1</sup>. Further, two-thirds of the total national student debt is held by women, who only account for 57 percent of total higher education enrollment, and Black women accrue more student loan debt in their undergraduate education than any other group.

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<sup>1</sup> Federal Reserve Bank of New York. Response Letter to Senator Cory Booker. September 2019.  
[https://www.newyorkfed.org/medialibrary/media/research/microeconomics/topics/student-debt/2019\\_CMD\\_BookerResponse](https://www.newyorkfed.org/medialibrary/media/research/microeconomics/topics/student-debt/2019_CMD_BookerResponse)

**MOTION**

SOLIS \_\_\_\_\_

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This debt burden is compounded by the fact that there is a large information gap that too often prevents student borrowers from knowing about and accessing federal programs that could help assist them with and help to manage their student loan debt. These federal programs provide affordable repayment options and opportunities to have debts forgiven completely.

The Federal Public Service Loan Forgiveness (PSLF) program was created to provide public service workers with Federal student loan debt relief in exchange for a decade of public service. The PSLF program is designed to support individuals working in vitally important public service jobs in sectors such as nonprofits, social services, health care, law enforcement, government at all levels, and other public service professions. Since its creation, the PSLF program has suffered from multiple problems, including a lack of outreach to eligible borrowers, processing errors, and failure to provide correct information about program guidelines. On October 6, 2021, the United States Department of Education overhauled the PSLF program for a limited time, providing previously ineligible borrowers with a limited PSLF waiver to receive credit toward loan forgiveness for their years of public service work. Borrowers have until October 31, 2022, to apply for this limited PSLF waiver. We encourage employees and constituents to review the eligibility requirements prior to the October 31, 2022 deadline.

Earlier this year, in response to a motion authored by Supervisor Hilda L. Solis, the Departments of Human Resources and Consumer and Business Affairs launched an awareness campaign to educate County employees and our contracted partners on the public service loan forgiveness program. Efforts included posting information on the County intranet site, departmental engagement and training, and collaboration with the

State's Department of Financial Protection and Innovation, which is the lead in the State's efforts for this program. Since the awareness campaign launch, interest by County employees has increased, with more than 25,000 employees having viewed campaign materials distributed Countywide by the Department of Human Resources.

This month, the California State Legislature will vote on two resolutions, HR 118 (Bonta) and SR 96 (Limón), to proclaim the month of August as "Student Debt Awareness Month" across the State of California. As part of Student Debt Awareness Month, a statewide outreach campaign called The California Student Debt Challenge will begin, spearheaded by the Campaign for California Borrowers' Rights, a diverse statewide coalition of more than 80 organizations across the state. The California Student Debt Challenge, launching in August, urges all employers, especially public service employers and state agencies, to engage in outreach and notify employees about the federally administered Public Service Loan Forgiveness Program and time-limited PSLF waiver.

It is imperative that we support public service workers in accessing loan forgiveness who contribute greatly to our communities and have sacrificed so much during the pandemic.

**I, THEREFORE, MOVE** that the Board of Supervisors:

1. Proclaim August 2022 as "Student Loan Debt Awareness Month" throughout the County of Los Angeles;
2. Instruct the Director of the Department of Human Resources to lead the County in joining the "California Student Debt Challenge"; and

3. Instruct the Director of the Department of Consumer and Business Affairs to continue to encourage residents to learn about the Federal program, Public Service Loan Forgiveness, and apply for the limited waiver if applicable.

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