



**WISCONSIN
BUSINESS
ALLIANCE**

Letter in Support of SB 376

February 5, 2014

Members of the Committee:

I am writing to express support of SB 376, the "Higher Ed, Lower Debt" bill.

This bill would benefit Wisconsin businesses in two important ways:

It would spur economic growth by attracting and retaining highly educated college graduates.

SB 376 is a unique bill that would offer lower student loan rates and tax incentives to attract and retain desirable employees. Since no other state currently offers this type of program, it could also attract employers to Wisconsin.

It would also spur consumer spending.

College graduates are often saddled with debt into their 40s, which ties up money that they and their families could be spending at Wisconsin businesses. According to the Capital Times, "The average UW-Madison graduate leaves college \$27,000 in debt. If a 6.8 percent interest rate on that loan amount was refinanced to 4 percent, the college graduate would save over \$40 a month, or \$480 a year." It's obvious that shaving just a couple of points off the interest rates on these loans results in significant savings and increased buying power.

While a few questions remain – for instance, how long would a graduate need to live in Wisconsin to be considered for this program? – we are confident that this proposal rests on sound principles.

As an association of independent, Wisconsin-owned businesses, we support this bill and urge its swift passage.

Kind regards,

Lori Compas
Executive Director, Wisconsin Business Alliance