



City of Northampton
MASSACHUSETTS

In the City Council, February 3rd, 2022

Upon the Recommendation of Councilor Jamila Gore and Councilor Rachel Maiore

R-22.023 A RESOLUTION IN SUPPORT OF THE CANCELLATION OF STUDENT LOAN DEBT

WHEREAS, education is a public good, benefiting all of society and a right that should be accessible to all, and;

WHEREAS, College tuition has risen by 103% since 1987, while median household income increased by only 14%¹, and;

WHEREAS, nationally 42 million people have federal student loan debt for a total of \$1.73 trillion², making student loan debt the second-highest source of household debt after housing³, and;

WHEREAS, 55% of Massachusetts residents have student loan debt, with the average student loan debt at \$33,256 per borrower⁴, and;

WHEREAS, across the country, student debt also disproportionately impacts women, who hold two-thirds of all student debt⁵. Women take on more debt and then face systemic pay discrimination resulting in an additional two years to pay off student debt compared to men⁶, and;

WHEREAS, these disparities hit Black women even harder with 57% reporting financial difficulties in paying back student loans⁷, and;

¹ American Association of University Women, www.aauw.org

² https://www.federalreserve.gov/releases/g19/hist/cc_hist_memo_levels.html

³ Statista, www.statista.com

⁴ New England Board of Higher Education, nebhe.org/wp-content/uploads/Massachusetts-DEI-Fact-Sheet.pdf

⁵ American Association of University Women, www.aauw.org

⁶ American Association of University Women, www.aauw.org

⁷ American Association of University Women, www.aauw.org/app/uploads/2020/03/DeeperinDebt-nsa.pdf

WHEREAS, a 2016 study found that four years after earning a bachelor's degree, the average Black graduate had approximately \$53,000 in debt, nearly twice the level of the average White graduate⁸. And 20 years after taking out student loans, the average Black borrower still owes 95% of their student loan debt compared to 6% for White borrowers⁹, and;

WHEREAS, eliminating student loan debt represents a moral opportunity for Northampton to support residents, address some racial and gender wage disparities, and provide better overall health outcomes since carrying debt is associated with negative mental and physical health outcomes, such as stress, depression, general health, obesity and mortality¹⁰, in addition to negatively impacting the ability of residents to afford to stay and live in Northampton, and;

WHEREAS, student loan debt cuts across all levels of education, affecting borrowers who attend vocational school, technical school, beautician schools, two-year associate degree programs, four-year undergraduate programs, graduate school, state schools, community college, private colleges and universities, with 40% of borrowers having not been able to complete their education and achieve a bachelor's degree¹¹, and;

WHEREAS, research estimates that canceling student debt would boost the national economy by up to \$108 billion a year and create one million jobs¹²,and;

WHEREAS, the Higher Education Act of 1965 gives the President of the United States the power to cancel all student loan debt by executive order, through the Compromise and Settlement powers of the Department of Education, and;

NOW THEREFORE BE IT RESOLVED that the City Council of Northampton calls for the Biden Administration to cancel all student debt by executive order and requests that the Federal Government enacts a plan to eliminate student debt and begin the transition to education as a public good.

BE IT FURTHER RESOLVED that the Administrative Assistant of the City Council shall send a copy of this Resolution to; President Joseph Biden, Governor Charlie Baker, Senators Elizabeth Warren and Edward Markey, Representative Jim McGovern, State Senator Jo Comerford, and State Representative Lindsay Sabadosa.

⁸ The Brookings Institute, www.brookings.edu

⁹ The Brookings Institute, www.brookings.edu

¹⁰ The Sycamore Institute, www.sycamoreinstitute.org/how-medical-debt-affects-health/

¹¹ National Center of Educational Statistics, <https://nces.ed.gov/datalab/index.aspx>

¹² Levy Institute, www.levyinstitute.org/pubs/rpr_2_6.pdf

