



Councilmember Ben Bartlett

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CONSENT CALENDAR
July 16, 2019

To: Honorable Mayor and Members of the City Council
From: Councilmember Ben Bartlett, Mayor Jesse Arreguin,
Councilmember Robinson, and Councilmember Cheryl Davila
Subject: Letter of Support for Senate Bill 806: The College for All Act

RECOMMENDATION

That the Mayor and Berkeley City Councilmembers support Senate Bill 806 (S.806) otherwise known as the College for All Act of 2017 and write a letter of support to Rep. Bernard Sanders and cosponsors of the bill. Senate Bill 806 would forgive over \$1.6 trillion of student loan debts, thereby releasing over 45 million Americans from student debt.

CURRENT SITUATION

The purpose of this Act is to forgive student debt that is held by 45 million Americans, including not just college debt but also private university and graduate school debt. It would be paid for by a tax on Wall Street transactions, ultimately raising over \$2 trillion over a period of 10 years. Rep. Sanders' plan would also make all four-year public universities and community colleges completely free, including tuition and fees, for everyone, no matter their income level. Rep. Sanders also proposes that the interest rates on federal student loans should be lower and that the federal government should not be making a profit on student loans.

BACKGROUND

In the 1990s student debt skyrocketed. The average student loan debt for a bachelor's degree was around \$9,000 by 1993. Just five years later in 1998 it was up to \$15,000. By 2003 it jumped to \$17,500.¹ Today the average student loan debt is about \$30,000. Over the last 20 years the total student loan debt of the country has jumped by 200%. As of 2012, this number was past \$1 trillion. There are many reasons why student debt

¹ <http://www.yourcommonwealth.org/uncategorized/a-brief-history-of-student-debt-in-the-united-states/>

has jumped in recent years, including rising tuition costs, state spending decreasing, and a generally more relaxed attitude towards lending and borrowing.

REVIEW OF EXISTING PLANS, PROGRAMS, POLICIES, AND LAWS

Currently there are no existing policies regarding student loan debt. In 2017 there was a proposal made by Rep. Bernard Sanders which he is re-proposing now in 2019 after it was previously shot down.

ACTIONS/ALTERNATIVES CONSIDERED

No other alternative actions considered.

RATIONALE FOR RECOMMENDATION

Students nationwide undertake thousands of dollars of debt every year in order to attain degrees to propel their lives forward. However, with the cost of college tuition rising— student loan debt has also risen exponentially. By supporting Senate Bill 806 (S.806), the Mayor and Berkeley City Councilmembers would support forgiving over \$1.6 trillion dollars of student loan debt, bolstering the economy and opening new opportunities for all.

IMPLEMENTATION, ADMINISTRATION AND ENFORCEMENT

With the Mayor and City Council's approval, an official letter of support will be sent to Rep. Bernard Sanders and co-sponsors of Senate Bill 806.

FISCAL IMPACTS OF RECOMMENDATION

No fiscal impacts.

ENVIRONMENTAL SUSTAINABILITY

No negative impact.

OUTCOMES AND EVALUATION

By showing that the public is in support of this Senate bill, there will be a greater chance that the bill will pass, helping millions of Americans out of their debt. This will be a major step towards supporting higher education for all Americans.

CONTACT PERSON

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ATTACHMENTS

1. Letter to Rep. Bernard Sanders

Attachment 1:
June XX, 2019

The Honorable Bernard Sanders
U.S. Senate
332 Dirksen Building
Washington, D.C. 20510

Re: S. 806 (Sanders)

Dear Senator Sanders:

The Honorable Mayor and Members of the Berkeley City Council are pleased to support Senate Bill 806 (S. 806). S. 806 aims to rid Americans of student debt, in turn making higher education accessible and affordable for all Americans.

It is vital that the United States government eliminate student debt for all Americans. For this reason, we strongly support S. 806.

Respectfully,
The Honorable Mayor and Members of the Berkeley City Council

Jesse Arreguin
Mayor, City of Berkeley

Members of the Berkeley City Council

