

Reps. Davis and Peters reintroduce bipartisan bill to address rising student loan debt

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WASHINGTON, D.C. - U.S. Reps. Rodney Davis (R-IL) and Scott Peters (D-CA) today led a bipartisan group of 99 Members of Congress to reintroduce the Employer Participation in Repayment Act, which would incentivize employers to offer student loan assistance to help their employees pay off student loan debt. The bill would help companies recruit and retain employees by making student loan payments by employers tax exempt up to \$5,250 a year—similar to tax exemptions for tuition assistance programs.

“Student loan debt is now the second highest form of consumer debt and prevents many in the workforce from fully contributing to our economy,” said Davis. “Student loan

debt is such a major issue that some private companies have found that offering a benefit to help employees pay down their student loans has allowed them to recruit and retain young talent. Our bill simply builds on this private-sector approach to addressing the student loan debt crisis in this country by allowing this benefit to be tax-free to both the employee and the employer. This innovative approach to student loan debt that has the potential to be the 401(k) of student loans and help millions of graduates who are struggling with student debt.”

“I relied on student loans to get through college, when the cost of higher education was much lower than it is today. Now, the collective debt among students in the U.S. is more than \$1.5 trillion dollars, which hurts economic growth,” said Peters. “Many employers have successfully helped their employees pay down their debt and encouraging similar programs across the country can move us closer to solving the student debt crisis. Our economy benefits, too, when Americans begin making investments like buying a home, starting a family, or saving for retirement.”

Davis first introduced the bill in the 114th Congress and Peters joined him to introduce it in the 115th Congress. This year, Davis and Peters are joined by U.S. Reps. Earl Blumenauer (D-OR), Elise Stefanik (R-NY), Stephanie Murphy (D-FL), Tom Cole (R-OK), Gwen S. Moore (D-WI), and Jason Smith (R-MO) as co-leads of the bill. Senators Mark Warner (D-VA) and John Thune (R-SD) are introducing an identical bill in the Senate.

Davis’ district includes eight four-year colleges and universities as well as five community college districts and is home to roughly 150,000 students.

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