SCHOLARS STRATEGY NETWORK

How to Build Public Support for Student Debt Relief as a Benefit to the Maine Economy

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In New England, nearly seven of every ten jobs require education beyond high school, yet about 200,000 Mainers with some college credits have not attained a credential and are no longer enrolled. Costs are often the issue, and Maine's appropriations for public higher education have important implications for the state's ability to meet the needs of its students and propel economic growth that benefits all residents.

Students – who are often the first in their families to attend college – are increasingly piling up private loan debts to finance their educations. Often, they still cannot get enough financing, and many end up being unable to repay loans, whether or not they graduate. Nationally, over a million students are in default on their student loans. According to the Institute for College Access and Success, approximately 55% of Maine's college graduates carry student loan debt averaging more than $30,000.

In 2017, Senator Nate Libby (Democrat from Lewiston) submitted a student loan forgiveness bill that would add to current publicly funded loan programs and fill a gap for students who have taken out non-federal student loans, often at high rates of interest, by authorizing the Governor to issue bonds to cover the costs of refinancing or cancelling student debts. In its original form, Libby's bill aimed to lessen the burden of a portion of non-federal student loan debt for graduates who work and live in Maine.

This bill and others like it have the potential to revitalize Maine's lagging economy through workforce development. But how the bill is explained to Maine voters makes a difference. My work suggests that proponents must think carefully about their communication strategy to reduce the chance that many Mainers will see this measure as just one more welfare handout. The benefits to the state's economy and to all Mainers must be highlighted.

The Political and Policy Context

During the summer immediately preceding discussion of the Libby bill, the state of Maine faced a governmental impasse – and a public hearing was held on the first day that legislators met after a three-day government shutdown. Even though Maine's Republican Governor, Paul LePage supported the bill, explaining that it would bolster the state's workforce, House Republicans took a hard stand against bond funding for anything except roads and bridges. This made it unlikely that a bond for $105 million will be placed in front of voters in November 2018. Instead, the bill will likely be turned into a partisan negotiation tool, likely to be bargained away in the end.

While legislators argue, Maine's system of public four-year universities continues to feel the sting of falling enrollments and repeated state budget stalemates. This situation is not unique to Maine. As the Chicago

Tribune reported in September, 2017, after a similar government impasse in Illinois, enrollment numbers for first-time freshmen students at Western Illinois University dropped by 21 percent. Nationally, schools spent less per student in the 2017 school year than in pre-recession years; adjusted for inflation, states have spent nearly $1500 less per student.

University decline amid shrinking resources prompts many students to question their overall academic and college experiences. Nationally, as the size of cohorts available to boost yearly enrollment totals decreases, colleges and universities schools must leverage whatever perks they can offer to attract new students. One such perk is financial remediation – either through scholarships or grants offered at the start of student careers or through loan repayment assistance or debt forgiveness offered after graduation. Institutions – and states – that have less to offer are likely to lose out in the competition for new college enrollments.

How Can Maine Move Forward?

Senator Libby is an assistant leader in the Maine legislature, a person with considerable political clout to back up his will to advance student debt relief legislation. Nevertheless, prospects for his bill were limited from the start because it was rhetorically linked not to economic development, but to unpopular social welfare policies.

As political scientists Anne Schneider and Helen Ingram proposed, programs can be placed at a political disadvantage if their potential beneficiaries are negatively understood. Put plainly, the wrong message was sent when proponents described the bill as “relief” for student loan borrowers who were unable to comply with contractual agreements. Especially in the state of Maine, there is little sympathy for groups experiencing financial stress – including students who fall prey to predatory loans or simply cannot repay student debt for other reasons. Many in Maine and elsewhere believe people who end up in personal financial distress should have known what they were getting into and should work to lift themselves out of financial duress by themselves – whether or not this is a realistic option in many cases. This widely held opinion appears in the transcripts of the public hearings about Senator Libby’s bill, as well as in transcripts of other legislative hearings about relief for financial burdens.

What is the alternative for fashioning more appealing messages? Instead of highlighting students who will escape debts, supporters of the Libby bill and similar efforts can feature potential state-wide benefits that are much harder to downplay or dismiss. Workforce development and the potential to boost Maine’s economy are the goals that should be front and center in public messaging, appealing to citizens’ desire to help Maine increase the vibrant, educated workforce it desperately needs.

Given conservative backlashes against “welfare” entitlement programs, it comes as no surprise that political resistance to student debt relief is easy to orchestrate. Yet the need for increased higher education funding is only going to grow – especially because many potential students have growing financial needs. Nontraditional students such as first generation students and adult learners are especially likely to need grants, scholarships, and debt mitigation. But to build public support, legislators must shift the focus from relieving financial burdens for individual beneficiaries and place the spotlight instead on furthering prosperity for all their constituents in a growing state economy.