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Authorizing the creation of a "Special Committee on Student Loan Debt" to evaluate the impacts of student loan debt upon individual borrowers and the subsequent effect on the City of Philadelphia.

WHEREAS, Americans place a high value on post secondary education, not only because of the valuable knowledge and skills that are imparted, but also because those possessing a bachelor's degree earn an average of 60% more than workers who possess a high school diploma; and

WHEREAS, President Barack Obama has stated that the pursuit of higher education is "the single most important way to get ahead"; and

WHEREAS, "The cost of college is growing, but the benefits of college - and, by extension, the cost of not going to college - are growing even faster," according to The Hamilton Project, an economic policy initiative at the Brookings Institution; and

WHEREAS, On average, college tuition increases 8% annually and, at that rate, tuition doubles every nine years; and

WHEREAS, Since 1985, the overall consumer price index has risen 115% while the college education inflation rate has risen nearly 500%; and

WHEREAS, From 2005 to 2015, outstanding student loan debt rose from $364 billion to $1.2 trillion, with 40 million borrowers carrying an average balance of $29,000, and the percentage of people aged 18-30 with a student loan increasing from 27% to 40%; and

WHEREAS, Some college graduates, particularly those receiving a liberal arts degree, enter the workforce earning lower starting salaries compared to similar positions in prior years, and such salaries often remain stagnant; and

WHEREAS, According to Pew Research, student loan debt was the only type of household debt that continued to rise during the Great Recession, eclipsing credit card debt and mortgage debt, both of which actually fell during the same time period; and

WHEREAS, The weight of student loan debt is forcing individuals to postpone starting a family, purchasing a vehicle, obtaining a home mortgage or pursuing small business entrepreneurial opportunities; and

WHEREAS, Student loan debt affects people at all levels of educational acquirement. Nine percent of those with just high school diplomas have school-related debt, possibly incurred for non-degree training or to fund a child's education. Twenty-five percent of those with some college education but no degree have student loans; and

WHEREAS, Student loan debt disproportionately affects African Americans and Hispanics, who are nearly

twice as likely to have student loan debt as whites; and

WHEREAS, Compared to 2006, in 2013 three times as many older adults were carrying student debt, an indication that parents and grandparents are incurring debt to fund their children's and grandchildren's education, causing more pre-retirees and retirees to be saddled with education loans in their twilight years; and

WHEREAS, It is crucial for City Council to evaluate the cost and impacts of mounting student loan debt on residents, job growth, the expansion of the local economy and the overall welfare of the City of Philadelphia; now, therefore, be it

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That Council hereby authorizes the creation of a "Special Committee on Student Loan Debt" consisting of at least 5 members of City Council appointed by the Council President, and assisted by relevant experts and stakeholders chosen by the Committee, to explore the impacts of student loan debt in the City of Philadelphia.

FURTHER RESOLVED, That the "Special Committee on Student Loan Debt" shall hold hearings and thereafter submit a full report to the Council and the Mayor, and shall make its findings and recommendations available to the public.

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