

# Rep. Spano Announces Bipartisan Bills to Lower the Cost of Higher Education, reign in excessive Student Debt

Washington, Monday, April 13, 2020

Tags: [Congress](#) , [Education](#) , [Veterans](#)

**Washington, D.C.**—Today, Rep. Ross Spano (R-FL-15) joined Rep. Collin Peterson (D-MN-07), Rep. Jeff Van Drew (R-NJ-02), Rep. Justin Amash (Ind.-ME-03), Rep. John Katko (R-NY-24), Rep. Darren Soto (D-FL-09), Rep. Kathy Castor (D-FL-14), Rep. Greg Steube (R-FL-17), Rep. Al Lawson (D-FL-05), Sen. Angus King (Ind.-ME) and Sen. Joe Manchin (D-WV) – and Senators Rick Scott (R-FL) and Marco Rubio (R-FL) – to introduce **H.R.9876, the Higher Education Loan Limits Act of 2020**. *[Note: A fictitious bill, but one that needs to be filed: See my notes for a copy. Oh, I 'tagged' Veterans too, since this would help them, too—even if not specifically a 'Vets' bill. Also, I chose conservative Democrats & 2 Independents in my example of how “broad bi-partisan / tri-partisan” support might work.]*

This bipartisan bill would reign in out-of-control spending of tax dollars for college loans, and also force colleges to make tuition affordable, as it once was, by shutting off the excessive subsidies, which allow them to raise tuition to unaffordable—and dangerous—levels—important because of a deadly new American phenomenon: 1 in 15 borrowers has considered suicide because of student debt, according to a recent article by *The Washington Post*.

College debt stands at almost 2 Trillion dollars, and this is almost ten (10%) percent of America's national debt, which is just north of 20 Trillion dollars. Without drastic, and immediate, changes, we will crash our dollar. Besides being unsustainable spending, these subsidies do not achieve the goal of “making college affordable,” and actually hurt not only taxpayer, but student. President Trump, Sec. of Education Betsy DeVos, and numerous others, have called for spending cuts, with tax dollars, including former Sec. of Education, Dr. Bill Bennett, who warned that subsidies allow colleges to raise prices; history has proven them right. While a few other areas (Defense, Social Security, etc.) are larger expenditures, spending can't be cut in these areas, like it can here—so, spending cuts are necessary to stop pouring gasoline on the fire.

To put things into perspective, the Federal Reserve just reported that “Between 2001 and 2016, the real amount of student debt owed by American households more than tripled, from about \$340 billion to more than \$1.3 trillion,” which, is **an increase of** more than \$960 Billion over a 15-year period, or \$64 Billion/year, or \$175,222,450.38 each day.

At a current average interest rate of 4.53% for undergrads (with grads & parent loans even higher), as reported by the U.S. Department of Education (StudentAid.gov), this is over 7.9 Million Dollars of interest alone, each day. Most-importantly, with current student debt predicted to hit two trillion around 2020, according to World.edu, comprising almost ten (10%) of total U.S. Debt, this is a bubble that is bigger than the infamous Housing Crash of 2008. (And even *this* figure may be an underestimate, since this \$2 Trillion figure doesn't include funds students must divert away from retirement savings, parent borrowing, or credit card debt—or even housing debt, which may be “student debt in disguise,” since parents are constantly taking out home equity loans & mortgages to help cover their kids' educational costs.)

This is a complex issue, and one that cannot be solved with simply “spending cuts,” and thus it is necessary to enact “tax” cuts: Tuition, a form of funding going to arms of the government (many state universities), is a form of tax. Short of using “heavy hand” regulation (aka “price controls,” as we do with other monopolies, like insurance, electric, water, telecommunication, and even milk – with regulations enforced by Federal Milk Marketing Orders, etc.), a “Free Market” approach to reigning in skyrocketing tuition is necessary to address both sides of the Higher Education economics.

While “Free College” and “Loan Forgiveness” are popular concepts, they would be very difficult to pay for, and, as a practical matter, politically impossible to pass into law. Thus, I am proud to announce that I have cosigned on to **H.R.2648, the Student Borrower Bankruptcy Relief Act of 2019**, a bipartisan (actually, tripartisan) bill which has Republican, Independent, and Democrat cosponsors—a reasonable compromise to the higher education crisis, but one which does not “compromise” our shared bipartisan values of fairness.

With bankruptcy returned to student loans, as it was just a few decades past, there would be an initial unavoidable spike in filings, but bankruptcy scholar Robert Lawless estimates that in the “steady-state,” annual discharges would plateau & come to less than \$3 Billion per year. (Source: Bob Lawless (U of Illinois), Demos, posted in RESEARCH, November 24, 2015, LINK 1: <https://www.Demos.org/research/no-recourse-putting-end-bankruptcys-student-loan-exception> LINK 2: <https://www.Demos.org/sites/default/files/publications/Bankruptcy-%28mark%29.pdf>) Dr. Lawless' calculations are reasonable

when considering that even in a “worst case” scenario, if every student loan borrower filed for—and got—full bankruptcy discharge, this would cost taxpayers almost nothing: Thanks to Obama-era regulations, the Federal Government is now the SOLE lender of all current student loans, having purchased almost all of the current loans:

“As of July 8, 2016, the federal government owned approximately \$1 trillion in outstanding consumer debt, per data compiled by the Federal Reserve Bank of St. Louis. That figure was up from less than \$150 billion in January 2009, representing a nearly 600% increase over that time span. The main culprit is student loans, which the federal government effectively monopolized in a little-known provision of the Affordable Care Act, signed into law in 2010.”

(Source: “Who Actually Owns Student Loan Debt?,” by Sean Ross, *INVESTOPEDIA*, Updated Jul 30, 2019, LINK: <https://www.Investopedia.com/articles/personal-finance/081216/who-actually-owns-student-loan-debt.asp>)

In fact, almost all student loans are owned – not guaranteed – by the taxpayer: “Most student loans – about 92%, according to a December 2018 report by MeasureOne, and academic data firm – are owned by the U.S. Department of Education.” (Source: “2019 Student Loan Debt Statistics,” by Teddy Nikiel, *NerdWallet*, December 20, 2019, LINK: <https://www.NerdWallet.com/blog/loans/student-loans/student-loan-debt>)

Even assuming \$2 Trillion, a slightly high estimate, the remaining 8% guaranteed (not owned) would only cost taxpayers \$160 Billion, but even this is high because only about half of the loans are outstanding, and even this is very high because not all would file, and those who did would not get a full discharge unless they were very indigent, thus supporting Dr. Lawless' \$3 Billion/year estimate. Moreover, history supports his estimate:

While many Conservatives are reluctant to embrace Bankruptcy as a Free Market check on skyrocketing tuition or the lending that fuels this dangerous fire, it worked back when we had it for college loans: “By 1977 only .3% of student loans had been discharged in bankruptcy.” <https://www.Linkedin.com/pulse/history-student-loans-bankruptcy-discharge-steven-palmer> See also the HARVARD LAW REVIEW: “Debunking the first premise is the fact that by 1977, under 0.3% of the value of all federally guaranteed student loans had been discharged in bankruptcy...(See H.R. REP. NO. 95-595, at 148 (1977).)” [http://HarvardLawReview.org/wp-content/uploads/pdfs/vol126\\_student\\_loan\\_exceptionalism.pdf](http://HarvardLawReview.org/wp-content/uploads/pdfs/vol126_student_loan_exceptionalism.pdf)

This bill, which has a companion bill in the senate (s.1414), and much bipartisan support, would allow students to discharge their student loan debt through bankruptcy on the same terms as credit card users, and other “unsecured” debt.

Besides curing several constitutional flaws in current U.S. Bankruptcy Code, which currently violates the Constitution's Contract, Uniformity, and *ex post facto* Law clauses, the ability to defend against predatory lending with a threat of bankruptcy discharge would offer a “Free Market” check against rampant tuition inflation: Lenders and Banks would be “think twice” before piling on obscenely high-dollar loans, and be forced to be responsible with college loans—like Credit Card companies, who only lend when they reasonable think the borrower can repay—thus forcing colleges to lower tuition to levels that are sustained by a true free market of student—who no longer have “endless seas” of loans.

Senator Rick Scott: “When I went to college in the 70’s, tuition was as low as \$200 a semester, with no fees that I can remember.” (Press Release dated Tue. 10 Sept. 2019: <https://www.RickScott.Senate.gov/sen-rick-scott-announces-proposals-lower-cost-higher-education>)

Assuming this was January of 1975, this would be equivalent to \$987.89 per semester in an October 2019 (source: <https://data.bls.gov/cgi-bin/cpicalc.pl?cost1=200&year1=197501&year2=201910>) And, WestEgg's calculator gives a similar conversion: “What cost \$200 in 1975 would cost \$943.89 in 2018.” (source: <https://westegg.com/inflation/infl.cgi>) In fact, PolitiFact rated as “Mostly True” the claim that college was once “free” in the United States: <https://www.PolitiFact.com/florida/statements/2016/feb/09/bernie-s/was-college-once-free-united-states-and-it-oversea/>

Both **H.R.9876**, my spending cuts bill, and **H.R.2846**, technically a “tax cuts” bill, would work together to ensure costs of collage are affordable, even if not free: If American Higher Education was the “best in the world” back when a year of college cost the equivalent of \$1,000 per semester – or perhaps free in some places – then, there is no excuse for us to say that's “impossible” for our economy: Putting student into “debt slavery” for decades, and forcing them to delay starting families, buying homes, and enjoying our booming economy, is inherently wrong—and a drag on our economy.

“A quarter of borrowers who take out student loans end up defaulting within five years” according to <https://www.CbsNews.com/news/1-in-4-americans-defaulted-on-their-student-loans-in-five-years/> and the number is probably much greater when considering the “lifetime” of the loans, and not merely the first five years.

Brookings recently reported[a] that defaults run at about 40% for 2004 student loan borrowers, and as those borrowers were

only borrowing one-third[b] of what students are borrowing currently, eventual default rates are probably much higher, portending a Bubble much larger than the 2008 Housing Bubble.

[a] <https://www.brookings.edu/research/the-looming-student-loan-default-crisis-is-worse-than-we-thought/>

[b] <https://www.WashingtonExaminer.com/opinion/op-eds/one-inexpensive-and-easy-fix-for-the-student-loan-problem>

“About 37 percent of borrowers were repaying their loans...in 2005 with nearly \$13.1 billion in loans...The remaining 64 percent—more than 1.1 million borrowers with over \$25.3 billion in loans—were not actively repaying their loans for at least a portion of the study period and are likely to be a source of concern to varying extents.” Source: “Delinquency: The Untold Story of Student Loan Borrowing,” by Alisa F. Cunningham and Gregory S. Kienzl, Ph.D, A report prepared by: Institute for **Higher Education Policy**, March 2011,

LINK: [http://www.IHEP.org/sites/default/files/uploads/docs/pubs/delinquency-the\\_untold\\_story\\_final\\_march\\_2011.pdf](http://www.IHEP.org/sites/default/files/uploads/docs/pubs/delinquency-the_untold_story_final_march_2011.pdf)

Cross-posted: [https://www.Bankruptcy-Divorce.com/Bankruptcy-Student-Loan/Delinquency-The\\_Untold\\_Story\\_FINAL\\_March\\_2011.pdf](https://www.Bankruptcy-Divorce.com/Bankruptcy-Student-Loan/Delinquency-The_Untold_Story_FINAL_March_2011.pdf)

HOWEVER, if Lawmakers could pass (263-171 in the House) the "Mortgage Bailout" (aka: "Emergency Economic Stabilization Act of 2008") outright giving a "Liberal Free (Corporate) Handout" of Seven-Hundred Billion (\$700,000,000,000.00) Dollars (not counting another \$250 Billion and \$350 Billion in Sec.115) to companies who made bad decisions, and still have a "Bankruptcy Safety Net," the least we can do is return said safety net to student 'loans'.

With over 44 Million students in debt for college, and another 30 or 40 Million who are cosigners, family, or friends, this is now a crisis bubble, which will burst if not put in check. Prior congresses have kept “kicking the can down the road,” an obvious example of rich colleges and banks having their way with lawmakers, even when a large majority of the public favored bankruptcy—even if not outright “free” college—as new research now confirms is happening:

“Multivariate analysis indicates that economic elites and organized groups representing business interests have substantial independent impacts on U.S. government policy, while average citizens and mass-based interest groups have little or no independent influence.” (Abstract paragraph) Source: “Testing Theories of American Politics: Elites, Interest Groups, and Average Citizens,” by Martin Gilens and Benjamin I. Page, Perspectives on Politics, Volume 12, Issue 3, pp. 564–581, September 2014, © **American Political Science Association 2014**, republished with attribution and used under “Fair Use” legal standards, for scholarly criticism & commentary purposes, DOI:10.1017/S1537592714001595, LINK: <https://doi.org/10.1017/S1537592714001595>

LINK: [https://Scholar.Princeton.edu/sites/default/files/mgilens/files/gilens\\_and\\_page\\_2014\\_-\\_testing\\_theories\\_of\\_american\\_politics.doc.pdf](https://Scholar.Princeton.edu/sites/default/files/mgilens/files/gilens_and_page_2014_-_testing_theories_of_american_politics.doc.pdf)

LINK: <https://www.Cambridge.org/core/journals/perspectives-on-politics/article/testing-theories-of-american-politics-elites-interest-groups-and-average-citizens/62327F513959D0A304D4893B382B992B>

LINK: <https://www.Scholars.Northwestern.edu/en/publications/testing-theories-of-american-politics-elites-interest-groups-and->

We now see that didn't work, so we are trying something different. The bipartisan H.R.2648 would act retroactively to allow bankruptcy for existing distressed college loans: Since the existing student loans of many college students had their bankruptcy rights stripped 'retroactively', this impaired an existing loan contract, and violated the Constitution's Contract and *ex post facto* Law Clauses, making it justified to make the 'cure' retroactive also. Moreover, current U.S. Bankruptcy Code violates the Uniformity Clause, insofar as college loans are NOT uniform: You can ask any college student to verify. This state of affairs is in violation of the Constitution's Uniformity clause, which is a special type of equal protection.

Since it is documented that most current student loans are in default, and students are not paying on them anyhow, the slight dip in payments from any possible bankruptcy discharges would be very small – and greatly offset by the huge gains that bankruptcy would have in forcing lending downward—thus saving taxpayers Trillions of dollars long-term. The “Free Market” check on excessive predatory lending, which **H.R. 2648** would afford, is also necessary to “phase in” President Trump's 'Loan Limits' spending cuts bill, thus ensuring that **H.R. 9876** is not too sudden in its effect.

Therefore, in addition to introducing **H.R.9876, Higher Education Loan Limits Act of 2019**, I am proud to cosponsor **H.R. 2648**, a bipartisan bill which would return bankruptcy equality to students, knowing that bankruptcy, the “Economic Second Amendment,” worked well in the past. **<<Plus, it'll help us get the House back into GOP control! And not lose the Senate or Oval Office.**

As proof of need for these bills, please see below for examples of “wrecked lives” due to our failed Higher Education:

**Case #1:** <https://www.Facebook.com/groups/sljgroup/permalink/10157479704616702/>



**Alan Collinge**



Admin · November 2, 2019

Name: Davina

State: --

I understand how you feel about bankruptcy. I had to file in 2005 right before I had my 2nd child. I had to quit work because he was a high risk pregnancy. I couldn't file my student loan under bankruptcy rights, and that's when I went into default. I had paid on my student loan, \$300 a month for 9 years at this point. I had already paid back close to double what I borrowed. Once I was able to start working again, the DOE garnished my tax returns for years to follow, that I TRULY NEEDED as a now single mother, working 7 days a week to care for my kids...

Over the past 2 decades I have paid back 3 times what I borrowed. Over the next decade and a half, I am expected to pay back 1.5 times more than what I borrowed. The principle has never been touched. The principle has never been paid. I will be in my 60's, having paid over \$80,000 on a 40 year old, \$17,500 FSL. HAD I HAVE BEEN ALLOWED to file bankruptcy on my FSL in 2005, I would have been living a happy life with enough money in the bank to pay the bills, and buy Christmas gifts.

I would have been proud of my college degree. I would actually have been able to help pay for my children's college education. They won't be going to college, because I would never allow them to get a student loan, and end up being another life-long victim of the DOE and their phantom debt.

This my friend, is financially Dumbing-Down-America. I assure you, filing BANKRUPTCY on a STUDENT LOAN DEBT, that will be signed by executive order of A PRESIDENT, will NOT be found in bad graces by creditors. 👍

This is a revolution that is happening in America. Over 50,000,000 victims. This is a time when we NEED bankruptcy protection, as it is called for in the Constitution ahead of the power to raise an army and declare war! It is nothing to be frowned upon when an agency of our government is robbing us of our lives by denying our Constitutional rights.

The only way to stop them, is to stop their money flow. Is to stop them from being crooks. How do we do that legally? We get our constitutional rights back, and we THREATEN them with mass bankruptcy, and no bail-outs! Only then will Lady Justice be on our side again.



27 Comments 13 Shares

**Editor's Note:** Before moving on to some more “real life” examples, I would like to state, for the record, that I personally know Davina, whose last name is being “redacted” in this public post. ~Gordon Wayne Watts, Education reporter, and Editor-in-Chief, *The Register*: <https://GordonWatts.com> and <https://GordonWayneWatts.com> Moreover, my friend, Alan M. Collinge, a nationally-known Student Debt expert, and the admin of this Facebook group, can also verify that Davina is a real person, and that we've both seen documentation to verify some, if not all, of her claims:

Facebook group, “Student Loan Justice”: <https://www.Facebook.com/groups/SLJgroup>

Alan's personal page: <http://StudentLoanJustice.org> – or Google him by name.

**Case #2: Nicole from Houston:** “Struggling mother trying to pay loan \$32,000. I don’t even have a degree. ... I want to go back to school and do more for us but I just can’t with this debt hanging over my head. It saddens me to know you have to be in all the debt to better your life.”

**Case #3: Mark from Los Angeles:** “It’s crushing me and my family. I am 57 yrs. Old and constantly putting it in forbearance. I fear it will follow me into retirement.”

**Case #4: Stephanie from Illinois:** “I’m a social worker and most social work jobs are low paying. I understand that I chose this but in order to be considered for a \$30,000 job in my state you need a Master Of Social Work degree. I work

more than 40 hours per week and I have \$151,000 in debt, mostly it's all interest because of my payment plan. I have a family and I fear I will never pay this back. It's like having a second mortgage.”

**Case #5: Emily from Detroit:** “I wanted to go to school to help people, and my master’s degree allows me to do that every day. But with over \$75,000 in debt, partially due to ever-accruing interest, it feels like I’ll never get ahead and will struggle with this my entire life.”

**Source for cases 2—5, above:** “There seems to be no end to the rise in student loan debt,” by Michelle Singletary, *The Washington Post*, September 12, 2019 at 8:00 a.m. EDT, small excerpts used under Fair Use; LINK: <https://www.WashingtonPost.com/business/2019/09/12/whos-blame-massive-amount-student-loan-debt-america>

**Case #6: Gordon Wayne Watts from Florida:** “As a child, I was told I needed an education to better myself. So, to cut costs, I went to the local community college as long as I could & then the least expensive University, eventually obtaining an A.S. degree from United Electronics Institute (**Valedictorian**) and a **double major with honours (Biological & Chemical Sciences)** from **The Florida State University**. However, even after getting top grades in the hard sciences, and trying my best to pay off my original \$46,000.00 loan, my principal ballooned to \$67,375.19 as of 12/29/19. I don't mind paying back what I borrowed (or even double per Jesus' command to “walk the extra mile”), but if, as a result of deceptive lending (I was NOT told my loan lacked a bankruptcy safety net—like rich people use on business loans, all the time, for huge amounts), if it's impossible to ever pay it off, I wonder: Why even try? Even attempting to pay it off would be condoning those who used deceptive lending? I don't want any “Liberal Free Handouts,” Free College, or loan forgiveness (like Bernie Sanders is proposing), but if rich business owners & Credit Card users can regularly obtain bankruptcy discharge for HUGE amounts & get a fresh start, why can't college students at least “get treated fairly,” in bankruptcy discharge. **I followed the rules, and did as I was told, but I was “damned if I do”** (in debt forever if I don't win the lottery) **and “damned if I don't”** (a college education is even more needed in today's economy, if you don't want to be a burger-flipper all your life).

**PROOF:** <http://GordonWatts.com/education> or <https://GordonWayneWatts.com/education>

P.S.: If bankruptcy rights, as guaranteed by the U.S. Constitution's Uniformity clause, aren't restored to student loans, this will, ironically, cost taxpayers (who guarantee these toxic loans) MORE, because lenders won't "think twice" before piling on loans. [If so many are having trouble paying back, maybe it's not 'us' – maybe there WAS illegal Deceptive Lending, price-gouging monopoly—all of which are illegal individually, and VERY EVIL collectively.]

**PROOF:** The 2008 Housing Bubble almost crashed our dollar, but the threat of bankruptcy (the "Economic 2<sup>nd</sup> Amendment") made lenders "think twice" about piling on, and that was the only thing that prevented a crash of the dollar.

**CONCLUSION:** I'm on IBR (Income-based Repayment) as I speak (write), and pay ten (10%) percent of my discretionary income (e.g., 10% of zero, which is—itself—zero). If I quit my “volunteer” (unpaid) job as Editor-in-Chief of *The Register*, and somehow got a “burger flipping” job (if they'd even hire someone who is overqualified, like me), I might “pocket” a little more money, but I would allow our nation to crash the dollar through overspending. But, if I can convince lawmakers to pass H.R.2648 and S.1414, the Student Loan Bankruptcy bills in the current 2019-2020 Congress, that might make lenders “think twice” about piling on, and save taxpayers in the long run, thus averting a crash of the dollar—since taxpayers guarantee student loans. And, if these bills passed, I might be hauled into Bankruptcy Court, and forced to pay something. So, I have no “conflicts of interest” or selfish motives in advocating for passages of these bills. (If anything, I would lose out, but I might save the nation.) Lastly, for those who think that “one person can't make a difference,” see this: I almost won the largest “pro-life” case in history—all by myself. One person CAN make a difference. PROOF:

[1] ***In Re: GORDON WAYNE WATTS (as next friend of THERESA MARIE 'TERRI' SCHIAVO)***, No. SC03-2420 (Fla. Feb.23, 2005), denied 4-3 on rehearing. (Watts got 42.7% of his panel)

<http://www.FloridaSupremeCourt.org/clerk/dispositions/2005/2/03-2420reh.pdf>

[2] ***In Re: JEB BUSH, GOVERNOR OF FLORIDA, ET AL. v. MICHAEL SCHIAVO, GUARDIAN: THERESA SCHIAVO***, No. SC04-925 (Fla. Oct.21, 2004), denied 7-0 on rehearing. (Bush got 0.0% of his panel before the same court)

<http://www.FloridaSupremeCourt.org/clerk/dispositions/2004/10/04-925reh.pdf>

[3] ***Schiavo ex rel. Schindler v. Schiavo ex rel. Schiavo***, 403 F.3d 1223, 2005 WL 648897 (11th Cir. Mar.23, 2005), denied 2-1 on appeal. (Terri Schiavo's own blood family only got 33.3% of their panel on the Federal Appeals level)

<http://Media.CA11.UsCourts.gov/opinions/pub/files/200511556.pdf>

**Case #7:** see next page... (Yes, the victim in #7 is the same one in #1, above, but given the pain she's endured and the points she makes, she gets “2 bites at the apple”) ... See below... →



**Alan Collinge** shared a link.

Admin · January 14 at 9:57 AM

From Davina:

Hello Fellow Members,

I am a 20+ year victim of SLD. I am expected to continue to be a victim for the next 20 years. Some of you are no where near my level, while some of you have far surpassed my level. And here we are. All coming together.

That being said, I found this documentary in my research efforts. It was produced 7 years ago. I would like for you all to watch it, then ask yourselves, "What has changed in the past 7 years?"

The short answer is, "Absolutely nothing, except for an increase in victims, tuition cost, phantom interest, forbearances, defaults, garnishments, anxieties, depressions, suicides, & POVERTY for the Higher Educated in America!" And I will make a wager that every victim in this documentary is still suffering today.

When The Higher Education Act of 1965 was proudly signed by LBJ, he didn't expect that our country's people, seeking a higher education, would be stripped of their constitutional rights and driven into poverty.

The threat of bankruptcy alone (whether we file or don't) is enough to regain control of the system, and protect future students from predatory lending. The DOE will no longer have the power to put us into phantom interest debt, with the principle never being touched, and without statute of limitations.

Look, bankruptcy laws were written to protect consumers. The only consumers not being protected now are only..."THE PAST, PRESENT, & FUTURE OF AMERICA!" When our SSI is now being garnished for SLD, what kind of future do you think America has to look forward to domestically; let alone globally?

This is why we fight for one cause that will squash the current past, and pave a way for the future; while honoring our forefathers. We fight to get our Constitutional rights back to protect ourselves, our families, and future generations of Americans.

Bankruptcy/Consumer Protection laws were written for a REASON, this very REASON. Generation after generation...after generation. This is where it ends.

<https://www.youtube.com/watch?v=xFY-PgPA-Uk>



YOUTUBE.COM

### Scholarship: A documentary about the student debt crisis

Determined to speak up about America's crumbling higher education...

You, Jill Elswick, Rob Mueller and 81 others 37 Comments 23 Shares

 Sad

Comment

Share



**Jen H Decker** Does anyone know which administration changed the laws that forbids student loans to be discharged in bankruptcy? This is one of the biggest shams played on the working class I've ever seen.

Like · Reply · 6d · Edited

9



**Sarah Shanahan** Biden had alot to do with that

Like · Reply · 6d

7



**Alan Collinge**  It actually goes back to the 1970's, but the two most important years were 1998, and 2005. So this was Clinton and Bush II.

Like · Reply · 6d

12



**Judith Davis** Question. Which Administration removed the bankruptcy rights?

Like · Reply · 6d

1



**Derek Williams** **Alan Collinge** I heard that a former congressman (maybe dead now?) named Buck McKeon was the one who sponsored the bill to kill bankruptcy altogether for student loans.

Like · Reply · 6d

1



**Derek Williams** I was researching this a while back online and that was the info I found.

[Like](#) · [Reply](#) · 6d

2



**Gordon Wayne Watts** Bankruptcy rights were slowly reduced over time, through several administrations.

[Like](#) · [Reply](#) · 6d

2



**Jen H Decker** [Alan Collinge](#) Thank you very much for that information. It's very hard to find as I'm sure those who voted for it realize what a complete tragedy it turned out to be IF they care.

[Like](#) · [Reply](#) · 5d

1



**Gail Larralde** Bush II and Clinton remain 'best of friends' to this day -

[Like](#) · [Reply](#) · 5d

1



**FINALLY: Eighth (8<sup>th</sup>) & Ninth (9<sup>th</sup>) examples of Predatory Lending victims:**

*(Note: Tina Lemire = 8th example ; Denine Blas = 9th example)*

**People charged (and/or paid back) FAR more than their original loans**

Thread link: <https://www.Facebook.com/groups/sljgroup/permalink/10157757057111702> Exact link to Tina Lemire / Denine Blas conversation: [https://www.Facebook.com/groups/sljgroup/permalink/10157757057111702/?comment\\_id=10157757541636702&reply\\_comment\\_id=10157758244151702](https://www.Facebook.com/groups/sljgroup/permalink/10157757057111702/?comment_id=10157757541636702&reply_comment_id=10157758244151702)



**Tina Lemire**

And what about the fact that my loan interest has grown so much that my payments aren't manageable?? This AFTER they denied me in 2010!!



8 hrs **Sad** Reply More



**Denine Blas**

Navient Corporation contacted me by mail and it went like this: Greetings we wanted to inform you that your current monthly bill is now due: \$7,860.12 you have 10 days to bring your current total \$440,654.34 up to date. And this started out as a \$22,000 dollar loan. I had six months to start paying back when I got out of school. Yet, the school I went to when I graduated, every job interview I went to I was told I had no current experience and was not hireable.

39 mins Like Reply More



Write a reply...

Reply



**James Robert**

Bankruptcy protections are a must for sure.

**Above were: “Nine (9) Real Life examples of lives wrecked by those who were simply trying to better themselves with a college education”** **Here are COUNTER-EXAMPLES:**

**[[ #1 ]] RICH REPUBLICAN and PRESIDENT: Donald Trump** filed for bankruptcy and “will remain as chairman and CEO and continue to collect a **\$2 million dollar paycheck**. So...how does a CEO decide to twice and still come out at the top of the heap?” **ANSWER:** “In both instances, Trump’s corporations have filed for bankruptcy; Trump personally has not. Hence, when his casino fell into **about a billion dollars in debt**, the corporation filed for Chapter 11 bankruptcy.” [[Editor’s Note: A “billion” is a THOUSAND Millions. Look it up, if you didn’t get the note.]] **Source:** “How Does Trump Repeatedly File for Bankruptcy and Still Stay on Top?,” by Monica Sanders, **LEGAL ZOOM**, October 2009, LINK: <https://www.LegalZoom.com/articles/how-does-trump-repeatedly-file-for-bankruptcy-and-still-stay-on-top>

**See also:** “April 21, 2011 -- Donald Trump -- or companies that bear his name - **have declared bankruptcy four times**. [] “Trump has built an American empire from Las Vegas to New York with towering hotels and sparkling casinos. Forbes estimates he’s worth \$2.7 billion. But not all of Trump’s business ventures have been constant money-makers. In 1991, 1992, 2004, and again in 2009, Trump branded companies or properties have sought Chapter 11 protection...Doug Heller, the executive director of Consumer Watchdog, said Trump is the “most egregious, almost comical example” of the disparity between what the average American faces when going through bankruptcy and the “ease with which the very rich can move in and out of bankruptcy.” [] “Under the American bankruptcy laws, if you end up in bankruptcy because you’re struggling with divorce or medical payments or a sudden change of income, it’s a disaster. If you fail miserably with huge dollars involved then you just need some accountants to rework your books,” Heller said.” **Source:** “**Donald Trump’s Companies Filed for Bankruptcy 4 Times: Trump still touts his business sense and wealth as qualifications for president.**,” By AMY BINGHAM, **ABC News**, April 20, 2011, 1:39 PM, LINK: <https://AbcNews.go.com/Politics/donald-trump-filed-bankruptcy-times/story?id=13419250>

**[[ #2 ]] RICH Silicon Valley start-up, Solyndra: from LIBERAL California**, and manufacturer of the Solar Cell panels: “In March 2009, Energy Secretary Steven Chu announced a **\$535 million conditional loan guarantee** to Solyndra — making it the first to receive a loan since the 2005 program began.” So, what happened? **ANSWER:** “In August 2011, the company **filed for bankruptcy**.” **Source:** “Solyndra, explained,” by Rachel Weiner, **The Washington Post**, 01 June 2012, LINK: [https://www.WashingtonPost.com/blogs/the-fix/post/solyndra--explained/2012/06/01/gJQAig2g6U\\_blog.html](https://www.WashingtonPost.com/blogs/the-fix/post/solyndra--explained/2012/06/01/gJQAig2g6U_blog.html)

**[[ #3 ]] RICH “evangelical Christian CONSERVATIVE” talk show host, Dave Ramsey**, with syndicated radio program, "The Dave Ramsey Show," “is among the top five talk radio shows in the United States,” and this “evangelical Christian, Ramsey uses biblically-based principles to teach his followers how to improve their financial conditions. For example, he often advises others to avoid debt because Proverbs 22:7 states, “The rich rule over the poor, and the borrower is slave to the lender.”” **But “he ended up filing for personal bankruptcy protection at age 28** in 1988, mainly because his largest lender—to whom he owed **\$1.2 million**—was acquired by a bigger bank...Ramsey managed to pay the majority of the debt down, **leaving \$378,000 outstanding**.” **Source:** “How Dave Ramsey Made His Fortune,” by Warren Cassell Jr., **INVESTOPEDIA**, Updated 25 June 2019, LINK: <https://www.Investopedia.com/articles/investing/082015/how-dave-ramsey-made-his-fortune.asp>

**[[ #4 ]] RICH DEMOCRAT former Congressman “Ruben Hinojosa**, an eight-term Democrat from Texas, **filed for personal bankruptcy** in December **after a major bank won a \$2.6 million arbitration award** against him over a loan he guaranteed for a family meat company, according to documents filed in federal bankruptcy court.” **Source:** “House Dem files for bankruptcy,” By John Bresnahan, **POLITICO**, 02/03/2011 05:07 PM EST Updated 02/06/2011 10:51 AM EST, LINK: <https://www.Politico.com/story/2011/02/house-dem-files-for-bankruptcy-048799>

**[[ #5 ]] Joe Average Citizen CREDIT CARD USER** can file for bankruptcy: “Bankruptcy filings hit an all-time high in 2005, when **more than 2 million cases** were started. In that year, **one out of every 55 households** filed for bankruptcy. [] The following year, bankruptcy filings **dipped to about 600,000**, the lowest point in 20 years.” [[Editor’s Note: If 600 thousand is considered “low,” and this is still far greater than Student debt filers, who are arguably more-deserving and less irresponsible than Credit Card users, then something is really wrong here.]] **Source:** “Bankruptcy Statistics,” by Al Krulick, **DEBT**, Copyright © 2020 Debt.org. All rights reserved, small quote used under “Fair Use,” LINK: <https://www.Debt.org/bankruptcy/statistics>  
Archived: <https://Web.Archive.org/web/20190702221540/https://www.debt.org/bankruptcy/statistics/>

**[[ #6 ]] Joe Average Citizen GAMBLER** can file for bankruptcy: “The average debt generated by a man addicted to gambling is **between \$55,000 and \$90,000**. Women gamblers average **\$15,000 of debt**. [] In extreme cases, problem gambling can result in serious legal problems or financial ruin. More than 20% of compulsive gamblers **end up filing for bankruptcy because of gambling losses**.” **Source:** “Gambling and Debt,” by Max Fay, **DEBT**, Last Updated April 2, 2019, LINK: <https://www.Debt.org/advice/gambling>  
Archived: <https://Web.Archive.org/web/20190914173659/https://www.debt.org/advice/gambling/>

**Conclusion:** So, if all these RICH & POWERFUL people (& businesses), many who get stimulus bailouts, taxpayer-funded handouts, & grants, from the government, & then, turn around & file bankruptcy REPEATEDLY for MILLIONS (or, in some cases, BILLIONS), but a college student CAN’T (except under near-impossible “Undue Hardship” standard), then this is not only immoral/unfair, but also a clear violation of the U.S. Constitution’s UNIFORMITY clause (a type of Equal Protection, see: Art. I, Sec.8, cl.4), insofar as standards are not only lacking uniformity with all other debt, but even amongst itself, the standards vary from circuit to circuit: Some circuits apply a “totality of circumstances” test. But, in any event, this evil “Double Standard” is a clear violation of Jesus’s “Golden Rule” (Matthew 7:12, Luke 6:31; See also: Leviticus 19:18, Leviticus 19:34, Matthew 22:39, Mark 12:31). **<Do CONSTITUTION and God no longer matter?**

**\*\* UPDATE – NINE (9) MORE cases of TRAGIC PREDATORY LENDING \*\***

I.e., 10TH – 18TH [ Yes, I know, lengthy reading but HORRIBLE INJUSTICES!! ]

People charged (and/or paid back) FAR more than their original loans

Thread link: <https://Facebook.com/groups/7704336701?view=permalink&id=10157926187781702>

**10<sup>th</sup>** – **BARBARA:** – Borrowed \$30,000.00 – Now owes \$149,624.05 = **PREDATORY LENDING – HORRIBLE!?**



From Barbara:

...And I get my statement from Nelnet right now in the middle of a Pandemic. Oh I don't have to pay for 3 months? Gave me a f\*\*\*\*\* break. How is this allowed? How is this legal? I am financially ruined for the rest of my life and for what??? A \$30,000 student loan I took out 20 years ago after serving in the military 12 years. The Montgomery GI bill gave me \$300 a month if they approved my credits. I had to go to college I HAD NO TRANSFERABLE SKILLS! That's the American Dream right?

Go to college get out a make a decent income so you can pay back your student loans...never mind I somehow locked myself into a 7.75% interest rate. I am going to try to get back on Excessive Debt Forbearance. I am making less now than I made in my previous job where everyone was laid off due to embezzlement by the administrator.

I want to retire soon. So needless to say whoever says they will restore bankruptcy rights I will be voting for Red or Blue I really don't care. I just want free from this thing.

Current Balance	3/21/2020
	\$149,624.05
Regular Monthly Payment Amount	\$198.35
Amount Already Paid for This Month	- \$0.00
Past Due Amount (if applicable)	+ \$0.00
<b>Current Amount Due</b>	<b>\$198.35</b>

While not required, you may continue making monthly payments even if no payment is due, as interest continues to accrue. Eligibility for certain benefits may also require monthly payments. Otherwise, your next payment is due on 4/11/2020. You can also avoid extra costs by paying more than your current amount due to cover the amount of any outstanding fees (if applicable). For more information, see the Fees section on the last page of this statement.

**\*\* UPDATE – NINE (9) MORE cases of TRAGIC PREDATORY LENDING \*\***

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**11<sup>th</sup>** – **CORI LYN:** \$200 grand of her \$350 grand loan is INTEREST!?! = **PREDATORY LENDING – HORRIBLE!?!**

**12<sup>th</sup>** – **LISA FITZWATER:** Borrowed \$30,000.00 – Now owes almost \$100,000.00 and she is sixty-one (61) years old = **PREDATORY LENDING – HORRIBLE!?!**

**Gordon Wayne Watts**  
A \$30 thousand loan that is now over \$149 GRAND!?!.. Someone, please screenshot this and make it Go viral!!!.. PLEASE!! \*\*\* I've been up all night and feel like crap, but please do this for me... I can't myself now... Thx. 😊

**Cori Lyn**  
**Gordon Wayne Watts** you should see mine... 350k and well over 200k is interest... it sucks 😞 1

**Lisa Fitzwater**  
Mine was about \$30,000 and it's now, 10 years later almost \$100,000. I'm 61. Went to school in 2008, the recession. Big mistake. 😞 1

10 mins **Sad** More

5 mins **Sad** More

Just now **Sad** More

**\*\* UPDATE – NINE (9) MORE cases of TRAGIC PREDATORY LENDING \*\***

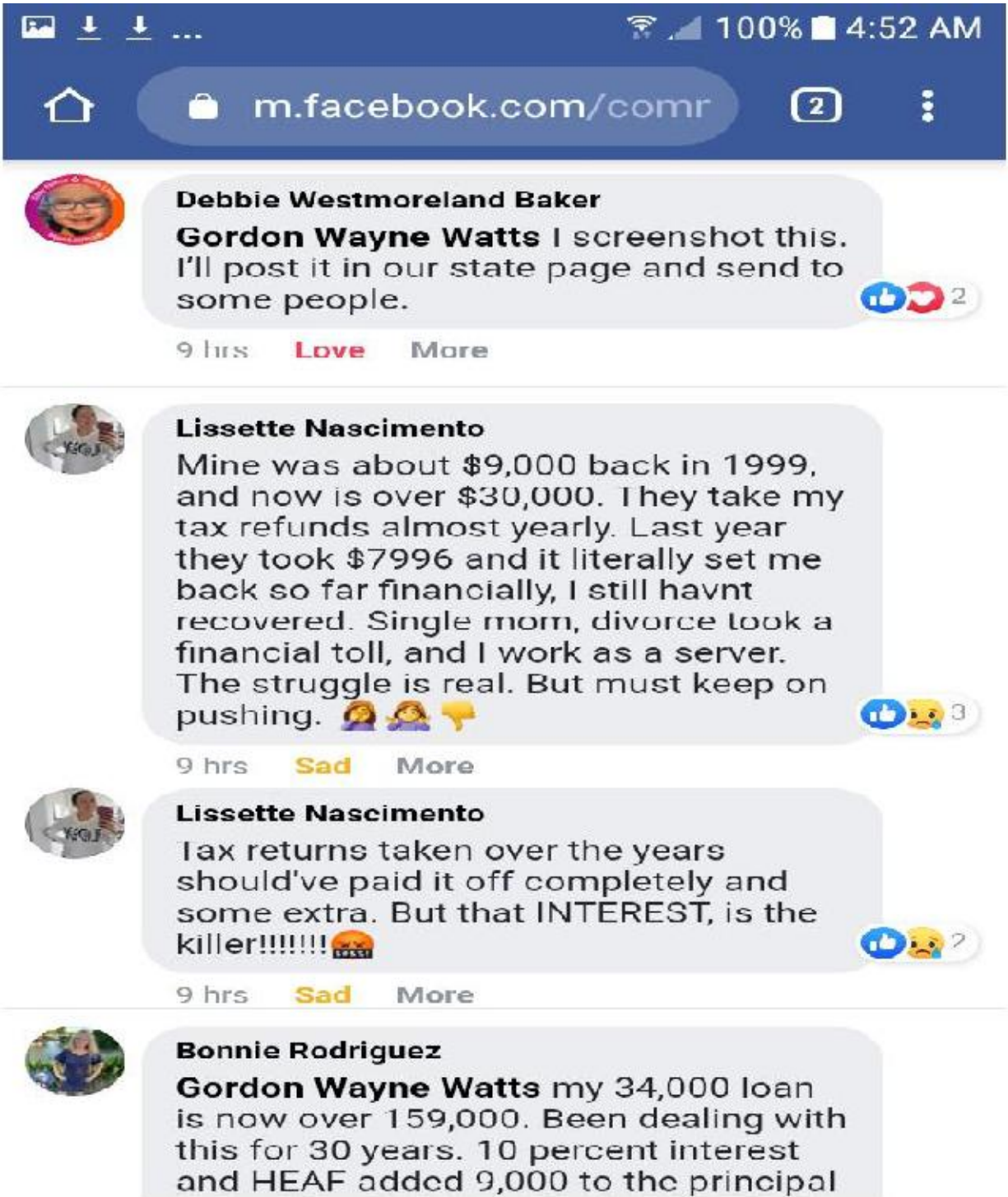
I.e., 10TH – 18TH [ Yes, I know, lengthy reading but HORRIBLE INJUSTICES!! ]

People charged (and/or paid back) FAR more than their original loans

Thread link: <https://Facebook.com/groups/7704336701?view=permalink&id=10157926187781702>

**13<sup>th</sup>** – **LISSETTE NASCIMENTO**: Borrowed about \$9,000.00 – Now owes more than \$30,000.00. Single, divorced mom. Works as server!?! = **PREDATORY LENDING – HORRIBLE!?**

**14<sup>th</sup>** – **BONNIE RODRIGUEZ**: Age 63 – Borrowed \$34,009.00 – Been paying on it since 1985 – Now owes over \$159,000.00. = **PREDATORY LENDING – HORRIBLE!?**



**\*\* UPDATE – NINE (9) MORE cases of TRAGIC PREDATORY LENDING \*\***

I.e., 10TH – 18TH [ Yes, I know, lengthy reading but HORRIBLE INJUSTICES!! ]

People charged (and/or paid back) FAR more than their original loans

Thread link: <https://Facebook.com/groups/7704336701?view=permalink&id=10157926187781702>

**14<sup>th</sup>** – **BONNIE RODRIGUEZ**: Age 63 (again—from above) Borrowed \$34,009.00 – Been paying on it since 1985 – Now owes over \$159,000.00. = **PREDATORY LENDING – HORRIBLE!?**

**15<sup>th</sup>** – **DAVID C. AVERILL**: – Borrowed \$32,000.00 – Now owes \$61,000.00 (even AFTER nearly \$30,000.00 in payments – which means he will have paid AT LEAST \$30,000.00 + \$61,000.00 = \$91,000.00 on a 32k loan!?) = **PREDATORY LENDING – HORRIBLE!?**

**16<sup>th</sup>** – **PAUL DeLeo**: \$231,086.77 Principal + \$63,539.91 Interest = USURY!?! – = **PREDATORY LENDING –**

**Bonnie Rodriguez**  
**Gordon Wayne Watts** my 34,000 loan is now over 159,000. Been dealing with this for 30 years. 10 percent interest and HEAF added 9,000 to the principal so DOE claims principal is 43,000 even though I borrowed 34,009 in 1985!! I am 63 already got notice they are attaching my SS when I get it.

9 hrs Like More

**David C. Averill**  
**Gordon Wayne Watts** Mine was 32000, balance is now 61000, paid nearly 30000. USN.

8 hrs Sad More

**Paul DeLeo**  
**Cori Lyn** Wow, and I though my situation was bad 😞

**Loan Details**

7.38%  
Average Interest Rate

\$231,086.77 Principal Balance  
\$63,539.91 Outstanding Interest

\$294,626.68 Current Balance

5 hrs Sad More

**\*\* UPDATE – NINE (9) MORE cases of TRAGIC PREDATORY LENDING \*\***

I.e., 10TH – 18TH [ Yes, I know, lengthy reading but HORRIBLE INJUSTICES!! ]

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Thread link: <https://Facebook.com/groups/7704336701?view=permalink&id=10157926187781702>

**17<sup>th</sup>** –

**DONNA BALLARD:** – Public Librarian – Age: 64 – will probably NEVER be able to retire!?!.. = **PREDATORY LENDING – HORRIBLE!?**

**18<sup>th</sup>** –

**ANNA BRANDT:** – State Gov't Employee: Borrowed about \$90,000.00 total ; but: Even AFTER many payments, Anna still “owes” (in quotes: I don't accept this USURY / illegal Price-Gouging as legal / moral) more than \$148,000.00 and estimates at least 6 more years of repayment.



**Donna Ballard**

Mine too. I am a public librarian and due to other financial issues I am in forebearance so it will just continue to grow. No end in sight and I would love to be able to retire (I'm 64) but I will probably die in my chair at the reference desk, if I don't get shot first (urban library).



9 hrs **Sad** Reply More



Write a reply...

Reply



**Anna Brandt**

I borrowed about \$90k total. I only have Federal loans, serviced by FedLoan. I have been paying the REPAYE/PAYE amounts for the past four years. With all the capitalized interest, the current balance is over \$148k. I still have at least 6 more years to pay on it. Who knows how much I'll owe then. I'm a state government employee now and just hope to god they don't get rid of the Public Service Student Loan Forgiveness program.



9 hrs **Like** Reply More

# Rep. Spano Announces Bipartisan Bills to Lower the Cost of Higher Education, reign in excessive Student Debt

Washington, Monday, April 13, 2020

Tags: [Congress](#) , [Education](#) , [Veterans](#)

*Note to self: Try to get this < 400 words, which is only slightly larger than “single bill” press releases by Rep. Spano. OK to go slightly over, since this addresses 2 (not 1) bills.*

**Editor's Note:** *This is a proposed press release. I'm trying to give you an idea of how to address the “triplet” issues of (1) skyrocketing tuition (a form of tax), (2) oppressive college debt (resulting from #1, above), and (3) growing national debt, almost ten (10%) percent of which is collegiate debt alone. Moreover, since it looks likely that my guest column will publish in multiple mediums early, soon, and often (see included notes), I want to give my good friend, Rep. Spano, the “head's up,” so as to help him avoid being “reactionary” or “caught off guard,” but – hopefully – be “proactive.”*

**Washington, D.C.**—Today, Rep. Ross Spano (R-FL-15) joined Rep. Collin Peterson (D-MN-07), Rep. Jeff Van Drew (R-NJ-02), Rep. Justin Amash (Ind.-ME-03), Rep. John Katko (R-NY-24), Rep. Darren Soto (D-FL-09), Rep. Kathy Castor (D-FL-14), Rep. Greg Steube (R-FL-17), Rep. Al Lawson (D-FL-05), Sen. Angus King (Ind.-ME) and Sen. Joe Manchin (D-WV) – and Senators Rick Scott (R-FL) and Marco Rubio (R-FL) – to introduce **H.R.9876, the Higher Education Loan Limits Act of 2020.** *[Note: A fictitious bill, but one that needs to be filed: See my notes for a copy.] >> **REMEMBER?** The bill that President TRUMP kept requesting last March—until the “Impeachment” things got him side-tracked & distracted! SOURCE: “Trump Proposes Limits On Student Loan Borrowing,” By Zack Friedman, FORBES, Tue. March 19, 2019, LINK: <https://www.Forbes.com/sites/zackfriedman/2019/03/19/trump-proposes-limits-on-student-loans> < DO WE NOT CARE for President Trump's VERY reasonable (and Sine Qua Non REQUIRED/NECESSARY) request, here!? < Come on, folks!*

**Editor's Note:** I picked a few conservative “Blue Dog” Democrat representatives / senators whom I think would sign on to this spending-cuts bill – as an example – in order to get a “bipartisan” bill out the door & filed.

This bipartisan bill would reign in out-of-control spending of tax dollars for college loans, and also force colleges to make tuition affordable, as it once was, by shutting off the excessive subsidies, which allow them to raise tuition to unaffordable—and dangerous—levels—important because of a deadly new American phenomenon: 1 in 15 borrowers has considered suicide because of student debt, according to a recent article by *The Washington Post*.

**Source:** “1 in 15 borrowers has considered suicide because of student debt, survey says,” by Alex Tanzi, **The Washington Post**, May 5, 2019, LINK: [https://www.WashingtonPost.com/business/economy/student-debt-has-increased-almost-61-billion-since-endof-2017-survey-shows/2019/05/05/cf923122-6f90-11e9-8be0-ca575670e91c\\_story.html](https://www.WashingtonPost.com/business/economy/student-debt-has-increased-almost-61-billion-since-endof-2017-survey-shows/2019/05/05/cf923122-6f90-11e9-8be0-ca575670e91c_story.html)

**Editor's Note:** “Would” reign in – not “will” reign in. My JudeoChristian religious beliefs remind me that God has repeatedly warned us to avoid pride associated with making unknown predictions: James 4:13-16; Proverbs 27:1, from the NIV Bible: (-: Let's obey God, and make life easier for ourselves. :-)

## Boasting About Tomorrow

*13 Now listen, you who say, “Today or tomorrow we will go to this or that city, spend a year there, carry on business and make money.” 14 Why, you do not even know what will happen tomorrow. What is your life? You are a mist that appears for a little while and then vanishes. 15 Instead, you ought to say, “If it is the Lord's will, we will live and do this or that.” 16 As it is, you boast in your arrogant schemes. All such boasting is evil. 17 If anyone, then, knows the good they ought to do and doesn't do it, it is sin for them. [See also: Proverbs 27:1 “Do not boast about tomorrow, for you do not know what a day may bring.”]*

College debt stands at almost 2 Trillion dollars, and this is almost ten (10%) percent of America's national debt, which is just north of 20 Trillion dollars. Without drastic, and immediate, changes, we will crash our dollar. Besides being unsustainable spending, these subsidies do not achieve the goal of “making college affordable,” and actually hurt not only taxpayer, but student. President Trump, Sec. of Education Betsy DeVos, and numerous others, have called for spending



cuts, with tax dollars, including former Sec. of Education, Dr. Bill Bennett, who warned that subsidies allow colleges to raise prices; history has proven them right. While a few other areas (Defense, Social Security, etc.) are larger expenditures, spending can't be cut in these areas, like it can here—so, spending cuts are necessary to stop pouring gasoline on the fire.

**Editor's Note:** See "[Trump Proposes Limits On Student Loan Borrowing](https://www.Forbes.com/sites/zackfriedman/2019/03/19/trump-proposes-limits-on-student-loans)," By Zack Friedman, *FORBES*, Tue. March 19, 2019 to verify my claim about Trump: <https://www.Forbes.com/sites/zackfriedman/2019/03/19/trump-proposes-limits-on-student-loans> and see <https://www.ED.gov/news/speeches/prepared-remarks-us-secretary-education-betsy-devos-federal-student-aids-training-conference> , the 11-27-2018 speech by Sec. DeVos, to verify my claims about her.

**See also:** "Our Greedy Colleges," By Dr. William J. "Bill" Bennett, former Secretary of Education under President Ronald Reagan, *The New York Times*, 18 February 1987, LINK: <https://www.NyTimes.com/1987/02/18/opinion/our-greedy-colleges.html>

To put things into perspective, the Federal Reserve just reported that "Between 2001 and 2016, the real amount of student debt owed by American households more than tripled, from about \$340 billion to more than \$1.3 trillion," which, is **an increase** of more than \$960 Billion over a 15-year period, or \$64 Billion/year, or \$175,222,450.38 each day.

**Editor's Note:** See: "Between 2001 and 2016, the real amount of student debt owed by American households more than tripled, from about \$340 billion to more than \$1.3 trillion." SOURCE: "FEDS Notes: Student Loan Debt and Aggregate Consumption Growth," By Laura Feiveson, Alvaro Mezza, and Kamila Sommer, *The Federal Reserve*, 21 February 2018, Last Update: March 05, 2018, LINK: <https://www.FederalReserve.gov/econres/notes/feds-notes/student-loan-debt-and-aggregate-consumption-growth-20180221.htm>

**See also:** "Presidential contender wants to wipe out all \$1.6T of student loan debt in the US." SOURCE: "Sanders to Propose 'Revolutionary' End to an 'Absurdity'," By Jenn Gidman, *Newser*, 24 June 2019, LINK: <https://www.Newser.com/story/276912/sanders-plan-that-16t-in-student-loan-debt-gone.html>

**And:** "Americans owe a staggering 1.6 trillion dollars in student loan debt." SOURCE: "Dozens of Proposals Address Student Loan Debt, but Congress Can't Agree," By Eva McKend (Washington, D.C.), *Spectrum News 1*, 11 September 2019, LINK: <https://SpectrumNews1.com/ky/louisville/news/2019/09/11/addressing-student-loan-debt-crisis>

At a current average interest rate of 4.53% for undergrads (with grads & parent loans even higher), as reported by the U.S. Department of Education (StudentAid.gov), this is over 7.9 Million Dollars of interest alone, each day. Most-importantly, with current student debt predicted to hit two trillion around 2020, according to World.edu, comprising almost ten (10%) of total U.S. Debt, this is a bubble that is bigger than the infamous Housing Crash of 2008. (And even *this* figure may be an underestimate, since this \$2 Trillion figure doesn't include funds students must divert away from retirement savings, parent borrowing, or credit card debt—or even housing debt, which may be "student debt in disguise," since parents are constantly taking out home equity loans & mortgages to help cover their kids' educational costs.)

**Editor's Note:** See e.g.: "The federal student loan interest rate for undergraduates is 4.53% for the 2019-20 school year. Federal rates for unsubsidized graduate student loans and parent loans are higher — 6.08% and 7.08%, respectively." SOURCE: "Current Student Loan Interest Rates and How They Work," By Teddy Nykiel, *Nerd Wallet*, 01 November 2019, LINK: <https://www.NerdWallet.com/blog/loans/student-loans/student-loan-interest-rates/> And as verified by <https://StudentAid.gov/understand-aid/types/loans/interest-rates>

**And:** "Americans are beginning to realize that student loans pose a big problem. Total student-loan debt is now well over a trillion dollars (and is predicted to hit two trillion around 2020). About a third of young people who are supposed to be making payments on their loans are delinquent, and there is every reason to suspect that a large chunk of what is owed will not be repaid, with taxpayers picking up the tab...Still, something is going to have to give. In the financial world, people warn that someone is going to have to take a haircut (a loss). It is difficult to see how we can resolve the current student-loan problem without everyone—colleges (both for-profit and nonprofit), students, legislators, taxpayers, etc.—taking a haircut. However, we have a choice: Either we can address the problem of student lending as a whole or we can continue to worry about one mess at a time, until we all find ourselves with really bad haircuts." SOURCE: "Dealing with student loans one mess at a time hasn't worked," By Joel and Eric Best, *World*, 21 March 2014, LINK: <https://World.edu/dealing-student-loans-one-mess-time-hasnt-worked/>

**See also:** Actually, a large chunk of housing debt may be “student debt in disguise,” since parents are constantly taking out home equity loans & mortgages to help cover their kids’ educational costs, suggesting Student Debt is closer to TWO (\$2,000,000,000,000.00) TRILION Dollars. Source: “Americans Owe \$2 Trillion in Student Loans, We Just Don’t Know it Yet,” By Travis Hornsby, *Student Loan Planner*, 23 July 2018, LINK: [https://www.StudentLoanPlanner.com/student-loans-2-trillion/#Add\\_it\\_All\\_Together\\_and\\_We\\_Could\\_Easily\\_be\\_at\\_2\\_Trillion\\_in\\_Student\\_Loans](https://www.StudentLoanPlanner.com/student-loans-2-trillion/#Add_it_All_Together_and_We_Could_Easily_be_at_2_Trillion_in_Student_Loans)

Editor's Note: Even this figure doesn't tell the full story, however, as the estimated \$2 trillion doesn't include funds students must divert away from retirement savings, parent borrowing, or credit card debt.

“From 2006 through 2020, average federal student loan interest rates were: 4.79% for undergraduates 6.36% for graduate students 7.41% for parents and graduate students taking out PLUS loans.” SOURCE: “Average Student Loan Interest Rates in 2020,” By Matt Carter, *CREDIBLE*, 30 December 2019, LINK: <https://www.Credible.com/blog/refinance-student-loans/what-are-average-student-loan-interest-rates/>

This is a complex issue, and one that cannot be solved with simply “spending cuts,” and thus it is necessary to enact “tax” cuts: Tuition, a form of funding going to arms of the government (many state universities), is a form of tax. Short of using “heavy hand” regulation (aka “price controls,” as we do with other monopolies, like insurance, electric, water, telecommunication, and even milk – with regulations enforced by Federal Milk Marketing Orders, etc.), a “Free Market” approach to reigning in skyrocketing tuition is necessary to address both sides of the Higher Education economics.

**Editor's Note:** Just like when your heart is getting operated on, and the doctor MUST address both “input” and “output” of blood to keep you alive, American Higher Ed will NOT work if we refuse to address both excessive taxation (tuition) and excess spending (of tax dollars), which necessitates Rep. Spano – at the VERY LEAST – push both bills into law. (Even that won't be enough, so compromise is out of the question: If you're a Christian like me, read the book of Revelation, the last book in the Bible, about being “lukewarm” and compromising.)

While “Free College” and “Loan Forgiveness” are popular concepts, they would be very difficult to pay for, and, as a practical matter, politically impossible to pass into law. Thus, I am proud to announce that I have cosigned on to **H.R.2648, the Student Borrower Bankruptcy Relief Act of 2019**, a bipartisan (actually, tripartisan) bill which has Republican, Independent, and Democrat cosponsors—a reasonable compromise to the higher education crisis, but one which does not “compromise” our shared bipartisan values of fairness.

With bankruptcy returned to student loans, as it was just a few decades past, there would be an initial unavoidable spike in filings, but bankruptcy scholar Robert Lawless estimates that in the “steady-state,” annual discharges would plateau & come to less than \$3 Billion per year. (Source: Bob Lawless (U of Illinois), Demos, posted in RESEARCH, November 24, 2015, LINK 1: <https://www.Demos.org/research/no-recourse-putting-end-bankruptcys-student-loan-exception> LINK 2: <https://www.Demos.org/sites/default/files/publications/Bankruptcy-%28mark%29.pdf>) Dr. Lawless' calculations are reasonable when considering that even in a “worst case” scenario, if every student loan borrower filed for—and got—full bankruptcy discharge, this would cost taxpayers almost nothing: Thanks to Obama-era regulations, the Federal Government is now the SOLE lender of all current student loans, having purchased almost all of the current loans:

“As of July 8, 2016, the federal government owned approximately \$1 trillion in outstanding consumer debt, per data compiled by the Federal Reserve Bank of St. Louis. That figure was up from less than \$150 billion in January 2009, representing a nearly 600% increase over that time span. The main culprit is student loans, which the federal government effectively monopolized in a little-known provision of the Affordable Care Act, signed into law in 2010.”

(Source: “Who Actually Owns Student Loan Debt?,” by Sean Ross, *INVESTOPEDIA*, Updated Jul 30, 2019, LINK: <https://www.Investopedia.com/articles/personal-finance/081216/who-actually-owns-student-loan-debt.asp>)

In fact, almost all student loans are owned – not guaranteed – by the taxpayer: “Most student loans – about 92%, according to a December 2018 report by MeasureOne, and academic data firm – are owned by the U.S. Department of Education.” (Source: “2019 Student Loan Debt Statistics,” by Teddy Nikiel, *NerdWallet*, December 20, 2019, LINK: <https://www.NerdWallet.com/blog/loans/student-loans/student-loan-debt>)

Even assuming \$2 Trillion, a slightly high estimate, the remaining 8% guaranteed (not owned) would only cost taxpayers \$160 Billion, but even this is high because only about half of the loans are outstanding, and even this is very high because not all would file, and those who did would not get a full discharge unless they were very indigent, thus supporting Dr. Lawless' \$3 Billion/year estimate. Moreover, history supports his estimate:

While many Conservatives are reluctant to embrace Bankruptcy as a Free Market check on skyrocketing tuition or the lending that fuels this dangerous fire, it worked back when we had it for college loans: “By 1977 only .3% of student loans had been discharged in bankruptcy.” <https://www.LinkedIn.com/pulse/history-student-loans-bankruptcy-discharge-steven-palmer> See also the HARVARD LAW REVIEW: “Debunking the first premise is the fact that by 1977, under 0.3% of the value of all federally guaranteed student loans had been discharged in bankruptcy...(See H.R. REP. NO. 95-595, at 148 (1977).)” [http://HarvardLawReview.org/wp-content/uploads/pdfs/vol126\\_student\\_loan\\_exceptionalism.pdf](http://HarvardLawReview.org/wp-content/uploads/pdfs/vol126_student_loan_exceptionalism.pdf)

This bill, which has a companion bill in the senate (s.1414), and much bipartisan support, would allow students to discharge their student loan debt through bankruptcy on the same terms as credit card users, and other “unsecured” debt.

Besides curing several constitutional flaws in current U.S. Bankruptcy Code, which currently violates the Constitution's Contract, Uniformity, and *ex post facto* Law clauses, the ability to defend against predatory lending with a threat of bankruptcy discharge would offer a “Free Market” check against rampant tuition inflation: Lenders and Banks would be “think twice” before piling on obscenely high-dollar loans, and be forced to be responsible with college loans—like Credit Card companies, who only lend when they reasonable think the borrower can repay—thus forcing colleges to lower tuition to levels that are sustained by a true free market of student—who no longer have “endless seas” of loans.

Senator Rick Scott: “When I went to college in the 70’s, tuition was as low as \$200 a semester, with no fees that I can remember.” (Press Release dated Tue. 10 Sept. 2019: <https://www.RickScott.Senate.gov/sen-rick-scott-announces-proposals-lower-cost-higher-education>)

Assuming this was January of 1975, this would be equivalent to \$987.89 per semester in an October 2019 (source: <https://data.bls.gov/cgi-bin/cpicalc.pl?cost1=200&year1=197501&year2=201910>) And, WestEgg's calculator gives a similar conversion: “What cost \$200 in 1975 would cost \$943.89 in 2018.” (source: <https://westegg.com/inflation/infl.cgi>) In fact, PolitiFact rated as “Mostly True” the claim that college was once “free” in the United States: <https://www.PolitiFact.com/florida/statements/2016/feb/09/bernie-s/was-college-once-free-united-states-and-it-oversea/>

Both **H.R.9876**, my spending cuts bill, and **H.R.2846**, technically a “tax cuts” bill, would work together to ensure costs of collage are affordable, even if not free: If American Higher Education was the “best in the world” back when a year of college cost the equivalent of \$1,000 per semester – or perhaps free in some places – then, there is no excuse for us to say that's “impossible” for our economy: Putting student into “debt slavery” for decades, and forcing them to delay starting families, buying homes, and enjoying our booming economy, is inherently wrong—and a drag on our economy.

“A quarter of borrowers who take out student loans end up defaulting within five years” according to <https://www.CbsNews.com/news/1-in-4-americans-defaulted-on-their-student-loans-in-five-years/> and the number is probably much greater when considering the “lifetime” of the loans, and not merely the first five years.

Brookings recently reported[a] that defaults run at about 40% for 2004 student loan borrowers, and as those borrowers were only borrowing one-third[b] of what students are borrowing currently, eventual default rates are probably much higher, portending a Bubble much larger than the 2008 Housing Bubble.

[a] <https://www.brookings.edu/research/the-looming-student-loan-default-crisis-is-worse-than-we-thought/>

[b] <https://www.WashingtonExaminer.com/opinion/op-eds/one-inexpensive-and-easy-fix-for-the-student-loan-problem>

“**At one end of the spectrum** are the active repayers, those who managed to make timely payments without ever postponing payments or becoming delinquent. About 37 percent of borrowers were repaying their loans without taking any mitigating actions, representing almost 667,000 **borrowers in 2005** with nearly \$13.1 billion in loans. Whether they found making timely payments easy or difficult and whether they restructured their loans into other repayment plans to make the payments more manageable are not captured in the available data. [] **The remaining 64 percent—more than 1.1 million borrowers with over \$25.3 billion in loans—were not actively repaying their loans** for at least a portion of the study period and are likely to be a source of concern to varying extents.” *Source*: “Delinquency: The Untold Story of Student Loan Borrowing,” by Alisa F. Cunningham and Gregory S. Kienzl, Ph.D, A report prepared by: **Institute for Higher Education Policy**, March 2011,

LINK: [http://www.IHEP.org/sites/default/files/uploads/docs/pubs/delinquency-the\\_untold\\_story\\_final\\_march\\_2011.pdf](http://www.IHEP.org/sites/default/files/uploads/docs/pubs/delinquency-the_untold_story_final_march_2011.pdf)

Cross-posted: [https://www.Bankruptcy-Divorce.com/Bankruptcy-Student-Loan/Delinquency-The\\_Untold\\_Story\\_FINAL\\_March\\_2011.pdf](https://www.Bankruptcy-Divorce.com/Bankruptcy-Student-Loan/Delinquency-The_Untold_Story_FINAL_March_2011.pdf)

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HOWEVER, if Lawmakers could pass (263-171 in the House) the "Mortgage Bailout" (aka: "Emergency Economic Stabilization Act of 2008") outright giving a "Liberal Free (Corporate) Handout" of Seven-Hundred Billion (\$700,000,000,000.00) Dollars (not counting another \$250 Billion and \$350 Billion in Sec.115) to companies who made bad decisions, and still have a "Bankruptcy Safety Net," the least we can do is return said safety net to student 'loans'.

With over 44 Million students in debt for college, and another 30 or 40 Million who are cosigners, family, or friends, this is now a crisis bubble, which will burst if not put in check. Prior congresses have kept “kicking the can down the road,” an obvious example of rich colleges and banks having their way with lawmakers, even when a large majority of the public favored bankruptcy—even if not outright “free” college—as new research now confirms is happening:

**Editor's Note:** For proof about “Over 44 Million” Americans have collegiate debt (& more are co-signers / family!!) →

\*\* <https://Breitbart.com/politics/2019/04/12/amnesty-advocates-help-illegal-immigrants-get-collegescholarships-while-44-7-million-americans-saddled-with-student-debt>

\*\* <https://BusinessInsider.com/millennials-college-not-worth-student-loan-debt-2019-4>

\* <https://BusinessInsider.com/successful-y-combinator-application-goodly-new-student-debt-startup-2019-4>

\* <http://TheFiscalTimes.com/2019/04/22/Elizabeth-Warren-s-New-640-Billion-Student-Debt-Cancellation-Plan>

\*\* “Multivariate analysis indicates that economic elites and organized groups representing business interests have substantial independent impacts on U.S. government policy, while average citizens and mass-based interest groups have little or no independent influence.” (Abstract paragraph) Source: “Testing Theories of American Politics: Elites, Interest Groups, and Average Citizens,” by Martin Gilens and Benjamin I. Page, Perspectives on Politics, Volume 12, Issue 3, pp. 564–581, September 2014, © *American Political Science Association 2014*, republished with attribution and used under “Fair Use” legal standards, for scholarly criticism & commentary purposes, DOI:10.1017/S1537592714001595, LINK: <https://doi.org/10.1017/S1537592714001595>

LINK: [https://Scholar.Princeton.edu/sites/default/files/mgilens/files/gilens\\_and\\_page\\_2014\\_-\\_testing\\_theories\\_of\\_american\\_politics.doc.pdf](https://Scholar.Princeton.edu/sites/default/files/mgilens/files/gilens_and_page_2014_-_testing_theories_of_american_politics.doc.pdf)

LINK: <https://www.Cambridge.org/core/journals/perspectives-on-politics/article/testing-theories-of-american-politics-elites-interest-groups-and-average-citizens/62327F513959D0A304D4893B382B992B>

LINK: <https://www.Scholars.Northwestern.edu/en/publications/testing-theories-of-american-politics-elites-interest-groups-and->

***(More detailed quotes from above paper) >>*** “In any case, the imprecision that results from use of our “affluent” proxy is likely to produce underestimates of the impact of economic elites on policy making. If we find substantial effects upon policy even when using this imperfect measure [top ten percent earners], therefore, it will be reasonable to infer that the impact upon policy of truly wealthy citizens [top 2%] is still greater.” p.569, par. 2 **[[Editor's note: In an ideal democracy, all citizens should have equal influence on government policy—but as this research paper demonstrates, America's policymakers respond almost exclusively to the preferences of the economically advantaged.]]**

Point: While rich & middle-class agree on many things, when they disagree, the rich win more often, and the “super rich” win even more—almost ALL the time: “As noted, our evidence does not indicate that in U.S. policy making the average citizen always loses out. Since the preferences of ordinary citizens tend to be positively correlated with the preferences of economic elites, ordinary citizens often win the policies they want, even if they are more or less coincidental beneficiaries rather than causes of the victory.” pp.572–573

“We report on an effort to do so, using a unique data set that includes measures of the key variables for 1,779 policy issues. [] **Multivariate analysis indicates that economic elites and organized groups representing business interests have substantial independent impacts on U.S. government policy, while average citizens and mass-based interest groups have little or no independent influence.**” Abstract paragraph

“Further, the issues about which economic elites and ordinary citizens disagree reflect important matters, including many aspects of trade restrictions, tax policy, corporate regulation, abortion, and school prayer, so that the resulting political losses by ordinary citizens are not trivial. Moreover, we must remember that in our analyses the preferences of the affluent are serving as proxies for those of truly wealthy Americans, who may well have more political clout than the affluent, and

who tend to have policy preferences that differ more markedly from those of the average citizens. Thus even rather slight measured differences between preferences of the affluent and the median citizen may signal situations in which economic elites want something quite different from most Americans and they generally get their way.” p.573

“Thus when popular majorities favor the status quo, opposing a given policy change, they are likely to get their way; but when a majority—even a very large majority—of the public favors change, it is not likely to get what it wants. In our 1,779 policy cases, narrow pro-change majorities of the public got the policy changes they wanted only about 30 percent of the time. More strikingly, even overwhelmingly large pro-change majorities, with 80 percent of the public favoring a policy change, got that change only about 43 percent of the time. [] In any case, normative advocates of populist democracy may not be enthusiastic about democracy by coincidence, in which ordinary citizens get what they want from government only when they happen to agree with elites or interest groups that are really calling the shots. When push comes to shove, actual influence matters.” p.573

### **“Organized Interest Groups**

Our findings of substantial influence by interest groups is particularly striking because little or no previous research has been able to estimate the extent of group influence while controlling for the preferences of other key nongovernmental actors. Our evidence clearly indicates that—controlling for the influence of both the average citizen and economic elites—organized interest groups have a very substantial independent impact upon public policy...[] Here, too, the imperfections of our measure of interest-group alignment (though probably less severe than in the case of economically-elite individuals) suggest, *a fortiori*, that the actual influence of organized groups may be even greater than we have found.” p.574

“When the preferences of economic elites and the stands of organized interest groups are controlled for, the preferences of the average American appear to have only a minuscule, near-zero, statistically non-significant impact upon public policy.” p.575

“What do our findings say about democracy in America? They certainly constitute troubling news for advocates of “populistic” democracy, who want governments to respond primarily or exclusively to the policy preferences of their citizens. In the United States, our findings indicate, the majority does *not* rule—at least not in the causal sense of actually determining policy outcomes. When a majority of citizens disagrees with economic elites or with organized interests, they generally lose. Moreover, because of the strong status quo bias built into the U.S. political system, even when fairly large majorities of Americans favor policy change, they generally do not get it. [] A possible objection to populist democracy is that average citizens are inattentive to politics and ignorant about public policy; why should we worry if their poorly-informed preferences do not influence policy making? Perhaps economic elites and interest-group leaders enjoy greater policy expertise than the average citizen does. Perhaps they know better which policies will benefit everyone, and perhaps they seek the common good, rather than selfish ends, when deciding which policies to support. [] But we tend to doubt it. We believe instead that—collectively—ordinary citizens generally know their own values and interests pretty well, and that their expressed policy preferences are worthy of respect.” p.576

We now see that didn't work, so we are trying something different. The bipartisan H.R.2648 would act retroactively to allow bankruptcy for existing distressed college loans: Since the existing student loans of many college students had their bankruptcy rights stripped 'retroactively', this impaired an existing loan contract, and violated the Constitution's Contract and *ex post facto* Law Clauses, making it justified to make the 'cure' retroactive also. Moreover, current U.S. Bankruptcy Code violates the Uniformity Clause, insofar as college loans are NOT uniform: You can ask any college student to verify. This state of affairs is in violation of the Constitution's Uniformity clause, which is a special type of equal protection.

**Editor's Note:** For proof of my claim that the changes in law “retroactively” stripped college loans of existing Standard Consumer Protections (incl. Bankruptcy), see the “Annotated” version of my guest column in the attachments.

Since it is documented that most of current student loans are in default, and students are not paying on them anyhow, the slight dip in payments from any possible bankruptcy discharges would be very small – and greatly offset by the huge gains that bankruptcy would have in forcing lending downward—thus saving taxpayers Trillions of dollars long-term. The “Free Market”check on excessive predatory lending, which H.R. 2648 would afford, is also necessary to “phase in” President Trump's 'Loan Limits' spending cuts bill, thus ensuring that H.R. 9876 is not too sudden in its effect.

Therefore, in addition to introducing **H.R.9876, Higher Education Loan Limits Act of 2019**, I am proud to cosponsor

**H.R. 2648**, a bipartisan bill which would return bankruptcy equality to students, knowing that bankruptcy, the “Economic Second Amendment,” worked well in the past. <<Plus, it'll help us get the House back into GOP control! And not lose the Senate or Oval Office.

As proof of need for these bills, please see below for examples of “wrecked lives” due to our failed Higher Education:

**Editor's Note:** A few things could not fit in my “rough draft” press release, but I'll try and list them here for clarity:

First off, on a personal note, while I agree wholeheartedly that “Free College” & “Loan Forgiveness” are Liberal free handouts, I am personally disgusted and annoyed to no end that my fellow Republicans, who've made it to lawmaker status are OK with the “other 'Liberal' extreme,” e.g., over-taxation, coupled with overspending. Ask any college student if you doubt: This was a 'chief' reason (even if not the only reason), Republicans lost the House of Representatives in the midterms. **Moreover, many of my GOP lawmakers claim to be 'Christian' like myself, but didn't learn the lessons** of how in prior times people were over-taxed— and led to civil unrest in both cases, and thus TO BE AVOIDED: 1 Samuel 22:1-2 (King David—before he was King—got support from many over-taxed citizen) ; 1 Kings 11:42-43 ; 1 Kings 12:1-20 (Solomon's EVIL, STUPID son, Rehoboam committed this sin!) ; 2 Chronicles 9:30-31 ; 2 Chronicles 10:1-19 (Reprise: Solomon's EVIL, STUPID son, Rehoboam). Is it 'OK' to ignore GOD's HOLY WORD, here? And repeat Rehoboam's stupid and foolish mistakes? Oh, really? Lastly, while I'm glad that many of my lawmakers could pay off **their** college loans, I'm upset that they don't see that most of us can't: Look at the implications of the CBS news item above: The 1-in-4 statistic is only for the “first 5” years: The true default rate is probably well-over 50%, which (--1--) will crash the dollar, due to the taxpayer subsidies (--2--) ensure we lose the Senate too, after alienate middle-class & college millennial, and their families who cosign for these ridiculous loans, and lastly, (--3--) Ensure that costs of college are unattainable, thus forcing Americans to be uneducated, which is a serious security and economy risk, as well as something that damages our military and medical fields. (--4--), oh, in case you forgot the “Golden Rule,” it's in both New and Old Testaments of our Bible: LEVITICUS 19:18b, Leviticus 19:34, MATTHEW 22:39b, MARK 12:31b, LUKE 6:31, MATTHEW 7:12. See also this, SOVEREIGN KING JESUS' own words:

“46 And He said, “Woe to you also, lawyers! For you load men with burdens hard to bear, and you yourselves do not touch the burdens with one of your fingers.” “3 Therefore whatever they tell you to observe, that observe and do, but do not do according to their works; for they say, and do not do. 4 For they bind heavy burdens, hard to bear, and lay them on men’s shoulders; but they themselves will not move them with one of their fingers.” [Luke 11:46; Matthew 23:3-4, NKJV]

Gordon's Commentary: 'Lawyers' & others, such as Federal Lawmakers, who “load men with burdens” (by passing laws stripping students' ability to obtain bankruptcy for most college loans -and stripping 'Truth In Lending' requirements to give borrowers fair 'Due Process' notice of this) certainly violate the Golden Rule. Lawmakers are hypocrites: They wouldn't accept this 'too hard to bear' 'burden' on their shoulders!

Lastly, let me remind everyone that our Sec. of Education, Betsy DeVos, who stubbornly refused to comply with a court-ordered forgiveness recently in the fraud-tainted Corinthian college matter, NEARLY GOT ARRESTED for it! My point? Yes, it was mostly her fault for refusing to comply with a plain and simple court order, but it is not lost on me that GOP lawmakers, who held House, Senate, and Oval Office twice in recent decades (ones in GW Bush's first 2 years, and again in the first 2 years of the Trump administration) are greatly at fault: Our **refusal** as supposedly 'morally' and 'fiscally' Conservative Republicans to address the Liberal excesses in Higher Ed taxing and spending placed Dec. DeVos, and her office, in precisely that position, and we must not keep doing that which put us in this place: See the following definition:

INSANITY – noun – Doing the same thing but expecting different results.

As I've said before, I'll say again: We've tried it 'your' way (referring to prior Congresses), and it didn't work, so why don't we go back to what worked before all that: Return Bankruptcy protections (reign in excessive 'tuition tax') and reduce (or preferably eliminate) use of ANY tax Dollar\$ to make or back (guarantee) college loans. Like the “Hyde Amendment,” which prohibits use of ANY tax dollars for abortions: If a student must get a college loans, let them get a private credit card, not use our tax dollars. **Reduction of the tuition tax by these 2 bills would NOT be inflationary, as the “Minimum Wage Hike” others have proposed.**

**TOAD FROGS +plus+ slowly heated BOILING HOT WATER (A fable / parable)**

The Higher Education staff working for my various lawmakers (my Congressman & Florida's 2 U.S. Senators) are

familiar with my arguments, and seem (in some cases) to have “bought in” to the claims that my proposed solutions ('tax' cut via H.R2648 and S.1414 – and spending cut, which President Trump has requested) are not good – and/or that the current state of affairs is 'OK'. – RESPONSE: This reminds me of the old fable of the “Boiling frog”: The premise is that if a toad frog is suddenly put into boiling water, it'll jump out; however, if it's placed into tepid (luke warm) water, which is slowly brought to a boil, it won't perceive any danger, it won't jump out, and it WILL be “cooked to death” by the boiling-hot water! This is a metaphor for the inability or unwillingness of people (higher ed staff, Federal Lawmakers, news media, and YOU, dear readers!) to react to or be aware of sinister threats (twin threats of growing Student Debt and Skyrocketing college tuition) that arise gradually rather than suddenly. [I invoke this 'slippery slope' argument as a caution/warning against 'creeping normality'.]

Lastly, all the “cool” Higher Ed bills that Sen. Rubio seems to be introducing would ultimately fail if we don't restore “The Economic Second Amendment,” i.e., bankruptcy equality for student loans: Just like in the real world, where the “Second Amendment” protects all others, “The Economic Second Amendment,” aka student loan bankruptcy equality, protect others. If you disagree with this, please “Google” the abysmal failures of The Department of Education's PSLF (Public Service Loan Forgiveness) program, which has like LESS THAN ONE (1%) PERCENT of discharge rates!

Oh, 1 more thing (sorry I'm a bit lengthy, but this one is important) – While I was hoping that my fellow Republicans would support both measures, above, simply because they're **#1. fiscal conservatism**, and **#2. Free Market checks**, and **#3. Moral rights/wrongs**, nonetheless, let me remind you of 3 *other* reasons to support the student loan bankruptcy bill: **4. #Cooperation #Lawmakers First**, with the House under Democrat control, we can't expect them to support our spending cuts if we don't support their tuition/tax cuts, aka bankruptcy equality. **5. #Voters #Elections Secondly**, we lost the House midterms partly (perhaps chiefly) because we snubbed the middle-class (we want bankruptcy but you don't get any). **6. #History #Failure Third and last**: It bears repeating: We've tried it your way for decades—with sick results: Try in my way, for once.~~Gordon Wayne Watts, author of this rough draft (GordonWatts.com / gordonWAYNEwatts.com)

To elaborate on point **6. #History #Failure**, above, let me point out that critics of “Student Loan Bankruptcy” claim that we can't afford it. QUITE THE OPPOSITE: We can't afford its removal and absence! Indeed, King Solomon's writings in the JudeoChristian Old Testament Bible books of wisdom, cleanly & clearly articulate this matter:

“There is a way which seemeth right unto a man, but the end thereof are the ways of death.” PROVERBS 14:12 (Holy Bible, KJV)

Why might this “Proverb” apply? ANSWER: There is a way that seems right (keeping things the way they are, because we supposedly can't 'afford' to return bankruptcy back to Student Loans –as we had in the past – and which worked well). But the end of those ways are economic death! (The dollar crashing because of excessive spending.) IRONICALLY, the return of Student Loan Bankruptcy would STOP 'excessive lending' (by scaring lenders/banks into loaning only what a student could borrow—fearful of bankruptcy defense). This, in turn, would force tuition down (as colleges/universities realised that students no longer had endless “deep pockets” loan funding subsidies to guarantee tuition payment). This would save U.S Taxpayers loads of monies, since they would no longer be forced to subsidize obscene bullying and stupidity that helps no one but a wealthy few in rich banks, colleges, & Universities (which many of us, Conservatives decry as bastions of Liberalism). Yeah, that's right fellow-GOP Republicans & so-called 'Conservative' lawmakers—make the rich Liberals even richer by fraud & deception & theft & violation of Conservative Constitutional principles.

I wonder if anyone knows why I'm including the following Bible passages for my fellow-Christians and lawmakers to read: (Hint: Double-standards, “Golden Rule,” hypocrisy, and deceptive lending or Constitutional Law might be hints.)

13 Do not have two differing weights in your bag—one heavy, one light. 14 Do not have two differing measures in your house—one large, one small. 15 You must have accurate and honest weights and measures, so that you may live long in the land the Lord your God is giving you. 16 For the Lord your God detests anyone who does these things, anyone who deals dishonestly. (DEUTERONOMY 25:13-16, Holy Bible, NIV)

35 Ye shall do no unrighteousness in judgment, in meteyard, in weight, or in measure. 36 Just balances, just weights, a just ephah, and a just hin, shall ye have: I am the Lord your God, which brought you out of the land of Egypt. (LEVITICUS 19:34-35, Holy Bible, KJV)

A false balance is abomination to the Lord: but a just weight is his delight. (Proverbs 11:1, Holy Bible, KJV)

11 A just weight and balance are the Lord's: all the weights of the bag are his work. 12 It is an abomination to kings to commit wickedness: for the throne is established by righteousness. (Proverbs 16:11-12, Holy Bible, KJV)

9 Who can say, "I have kept my heart pure; I am clean and without sin"? 10 Differing weights and differing measures—the Lord detests them both. (Proverbs 20:9-10, Holy Bible, KJV; Cf. Proverbs 20:23)

9 "“This is what the Sovereign Lord says: You have gone far enough, princes of Israel! Give up your violence and oppression and do what is just and right. Stop dispossessing my people, declares the Sovereign Lord. 10 You are to use accurate scales, an accurate ephah and an accurate bath. (EZEKIEL 45:9-10, Holy Bible, NIV)

4 Hear this, O ye that swallow up the needy, even to make the poor of the land to fail, 5 Saying, When will the new moon be gone, that we may sell corn? and the sabbath, that we may set forth wheat, making the ephah small, and the shekel great, and falsifying the balances by deceit? 6 That we may buy the poor for silver, and the needy for a pair of shoes; yea, and sell the refuse of the wheat? (AMOS 4:4-6, Holy Bible, KJV)

10 Am I still to forget your ill-gotten treasures, you wicked house, and the short ephah, which is accursed? 11 Shall I acquit someone with dishonest scales, with a bag of false weights? 12 Your rich people are violent; your inhabitants are liars and their tongues speak deceitfully. (MICAHAH 6:10-12, Holy Bible, NIV)

Did you know that the proverb, above, appears TWICE in the JudeoChristian Old Testament Bible, with only 1 word changed? Yes, and if GOD felt it “bears repeating, so do I; It appears on both Prov. 14:12 and Prov. 16:25. Observe:

“There is a way that seemeth right unto a man, but the end thereof are the ways of death.” PROVERBS 16:25 (Holy Bible, KJV)

Hear God. BELIEVE God. – >> Obey God.

“In God We Trust” ??

“One Nation Under God” ??

So help me God!

**ACTUAL transcript of a US naval ship with Canadian authorities off the coast of Newfoundland in October, 1995. This radio conversation was released by the Chief of Naval Operations on 10-10-95.**

**Americans: “Please divert your course 15 degrees to the North to avoid a collision.”**

**Canadians: “Recommend you divert YOUR course 15 degrees to the South to avoid a collision.”**

**Americans: “This is the captain of a US Navy ship. I say again, divert YOUR course.”**

**Canadians: “No, I say again, you divert YOUR course.”**

**Americans: “THIS IS THE AIRCRAFT CARRIER USS ABRAHAM LINCOLN, THE SECOND LARGEST SHIP IN THE UNITED STATES’ ATLANTIC FLEET. WE ARE ACCOMPANIED BY THREE DESTROYERS, THREE CRUISERS AND NUMEROUS SUPPORT VESSELS. I DEMAND THAT YOU CHANGE YOUR COURSE 15 DEGREES NORTH. THAT’S ONE-FIVE DEGREES NORTH, OR COUNTER MEASURES WILL BE UNDERTAKEN TO ENSURE THE SAFETY OF THIS SHIP.”**

**Canadians: “This is a lighthouse. Your call.”**

***[[ Gordon asks: Are U.S. Lawmakers NOT like the American battleship? ]]***

**Source: [www.Snopes.com/fact-check/the-obstinate-lighthouse](http://www.Snopes.com/fact-check/the-obstinate-lighthouse)**



**Gordon says:** This is the 'annotated' version—since I am expected to document my factual claims. I will comment in blue...

## **Can Congressman Spano clean up the excess taxing & spending mess prior Liberal lawmakers left in Higher Education?**

**Gordon says:** This is my proposed title. YMMV = “You mileage may vary.”

**By Gordon Wayne Watts / Guest columnist**

**Published:** Some-day-of-week-soon, Hopefully in **October DD, 2019**

On Nov. 16 of last year, The Ledger published my column, decrying skyrocketing tuition & mounting student debt, paid for by our tax dollars.

**Gordon says:** You can pull up a copy of my 11-16-2018 column, or I'll link it for your convenience—and the convenience of the subject of my column, Rep. Spano and his staff.:

**LINK:** <https://www.TheLedger.com/opinion/20181116/polk-perspective-rescue-taxpayers-from-mounting-student-debt>

**Fair use archives:** [www.GordonWatts.com/TheLedger-Online-PDF-FairUse-cache-WATTS-GuestColumn-Fri16Nov2018.pdf](http://www.GordonWatts.com/TheLedger-Online-PDF-FairUse-cache-WATTS-GuestColumn-Fri16Nov2018.pdf)

**Or:** [www.gordonWAYNEwatts.com/TheLedger-Online-PDF-FairUse-cache-WATTS-GuestColumn-Fri16Nov2018.pdf](http://www.gordonWAYNEwatts.com/TheLedger-Online-PDF-FairUse-cache-WATTS-GuestColumn-Fri16Nov2018.pdf)

Apparently, in response to my column, Sec. of Education, Betsy DeVos, her 11-27-18 speech, 11 days later, repeated my complaints that “Collegiate debt, now almost \$2 trillion, is almost 10 percent of total U.S. debt.” I quote her: “Today, FSA's [student debt] portfolio is nearly 10 percent of our nation's debt. [] Stop and absorb that for a moment. Ten percent of our total national debt.”

**LINK:** <https://www.ED.gov/news/speeches/prepared-remarks-us-secretary-education-betsy-devos-federal-student-aids-training-conference>

**Fair use archives:** [www.GordonWatts.com/DeVos-speech\\_11-27-2018\\_PDF.pdf](http://www.GordonWatts.com/DeVos-speech_11-27-2018_PDF.pdf)

**Or:** [www.gordonWAYNEwatts.com/DeVos-speech\\_11-27-2018\\_PDF.pdf](http://www.gordonWAYNEwatts.com/DeVos-speech_11-27-2018_PDF.pdf)

Apparently, this chain-reaction even influenced the president to fall in line with Conservative spending cuts: Forbes reported on March 19, 2019 that “Trump Proposes Limits On Student Loan Borrowing.”

**MULTIPLE LINKS:** "[Trump administration wants to put a limit on student loan borrowing](#)," By Katie Lobosco *CNN*, Tue. March 19, 2019; "[White House eyes new borrowing limits for students](#)," By Robin Meade (via Morning Express) *CNN*, Tue., March 19, 2019; "[Trump Proposes Limits On Student Loan Borrowing](#)," By Zack Friedman *FORBES*, Tue. March 19, 2019; "[PROPOSALS TO REFORM THE HIGHER EDUCATION ACT](#)," From The Whitehouse *The*, MARCH 2019

**DIRECT LINK:** <https://www.Forbes.com/sites/zackfriedman/2019/03/19/trump-proposes-limits-on-student-loans>

But, despite even getting the president's attention, nothing has changed: Lawmakers didn't grant his request, and Trump, distracted by other issues, has dropped this. Based on that, I maintain my initial prediction of a crash of the dollar if lawmakers refuse to cut spending.

**Gordon says:** I predicted that in my 11-16-2018 column, linked above.

Enter Ross Spano, our new Congressman: Against all odds (we have over 750 thousand citizens in our District), he invited me to a personal 1-on-1 meeting this past July 30, 2019 (as he has with other constituents).

**Gordon says:** See attached screenshots or PDF prints of the email which his scheduling staffer kindly sent me. Plus, There were FIVE (5) WITNESSES to our meeting: [#1] God is my witness [#2] Rep. Spano was the host [#3 and #4] Blaine Gravitt and James Jacobs were there [#5] I was the invited guest. (I declined to audio record the meeting—even though it was in a business where there is no expectation of privacy, according to the Morningstar ruling, a Florida case, I felt it would be rude to tape us without their knowledge, permission, & consent. So, unlike my prior “Tele-Town Hall” with retired Rep. Dennis Ross, I have no recordings, and we're on the honour system: I have no motive to lie about my new friend, the congressman, because – remember, now – I'm asking him for something: Legislation. Moreover, it would be morally wrong. (But, plz check with them to verify my factual claims.)

In attendance were myself, Rep. Spano, and 2 senior staff, Blaine Gravitt & James Jacobs; we spoke for 30 minutes, from 1:30—

2:00 P.M.—predictably about unfinished business in higher education.

To be clear, I'm Conservative and DON'T seek Free College, Loan Forgiveness, or Liberal Free Handouts. But tuition is technically a tax: Funding to an arm of government (state government colleges), and students are sorely overtaxed. To mitigate this, I proposed Rep. Spano cosponsor HR 2648, the “Student Borrower Bankruptcy Relief Act of 2019.” This would fix current U.S. bankruptcy law, which **violates the U.S. Constitution's Uniformity Clause**, a special type of equal protection—affording a small amount of “tax reduction” via bankruptcy. Moreover, it would force banks to lower loan limits (because students could declare bankruptcy), forcing colleges to lower tuition to affordable levels (like it was in the past), a sensible compromise between the two extremes: Current Liberal over-taxation supported by RINO Republicans, & the other extreme, Bernie Sanders' 'free' college & loan forgiveness handouts.

Congressman Spano asked me if H.R.2648 was “retroactive” (for past loans) or merely “prospective” (moving forward).

**Gordon says:** He did say this—ask him. However, the fact that he was unfamiliar with this bill (and had to ask me) might be unnecessarily embarrassing, and you might just reword it to reflect that he had concerns about its retro-activity (and delete that part about him needing to ask me some small detail) – **Plus, deleting a few things might cut down on word count too.**

When I told him the bill would make bankruptcy retroactive, he objected, complaining this wouldn't be fair to those who've paid off their loans. However, what he didn't consider was the fact that the changes in law which STRIPPED my bankruptcy safety net acted “retroactively”: Thus, to be fair, any CORRECTION must be retroactively too! The various changes in Federal Law stripping my existing student loans of bankruptcy **ALSO violated the Constitution's “Contract Clause”**: Were this any other contract, it would immediately void the entire contract!

**Gordon sez:** I couldn't fit it into my 700-words, above, but the problem here is simply that only like 10 or 20% of ALL student loans will (I estimate) be paid off – but those “top 10 or 20%” are the lawmakers, bankers, & rich university presidents, who lobby for raising loan limits, and putting taxpayer dollars on the hook to give loans to kids that like 80 or 90% will never be able to repay.

**Gordon sez:** Here's what the Contract Clause and the Uniformity Clause say:

#### **UNIFORMITY CLAUSE:**

“The Congress shall have Power To...establish an uniform Rule of Naturalization, and uniform Laws on the subject of Bankruptcies throughout the United States;”

Source: U.S. Constitution, Article I (Article 1 – Legislative), Section 8, Clause 4 – <https://ConstitutionUS.com>

**TRANSLATION for our Liberal friends:** While The U.S. Constitution does not guarantee bankruptcy rights, it DOES mandate that ANY bankruptcy law that it passes MUST be uniform, but you ask ANY college student: It is not!

#### **CONTRACT CLAUSE:**

“No State shall...pass any Bill of Attainder, ex post facto Law, or Law impairing the Obligation of Contracts...”

Source: U.S. Constitution, Article I (Article 1 – Legislative), Section 10, Clause 1 – <https://ConstitutionUS.com>

**TRANSLATION for our Liberal friends:** Congress may NOT pass a law impairing an existing contract, but, just look below at the long list of like twelve (12) sources that verify that EXISTING collegiate loans had their loan contracts altered (impaired) in any NUMBER of ways, not the least of which was the removal of standard consumer protections, such as bankruptcy, statutes of limitations, fair debt & collection, usury laws, rights to refinance, and Truth in Lending.

**Gordon says:** I'm claiming that changes in U.S. Bankruptcy law acted “retroactively” to change the terms of my existing loan contract—hold on a sec, while I go Google around to try & verify this tall claim... OK, I'm back – here are some sources to back up my claim:

[[#1]] “Even before BAPCPA, though, options were being closed off. In 1991, **the statute of limitations was eliminated for collections on federally insured student loans**. This provision was later ruled to have **retroactive** effect, **reviving student loan debt that had been previously time barred**. *United States v. Phillips*, 20 F3d 1005 (9th Cir 1994). This extraordinary change put most student loan debtors in the same category as murderers and traitors who can be pursued until death.”

Source: OREGON STATE BAR – article: “STUDENT LOAN VICTIMS – “LET THEM EAT CAKE” By Richard J. Parker Parker, Butte & Lane, PC,” LINK: [https://www.osbar.org/\\_docs/onld/StudentLoanVictimsLetThemEatCakeRichardParker.pdf](https://www.osbar.org/_docs/onld/StudentLoanVictimsLetThemEatCakeRichardParker.pdf)

SEE ALSO: I'm going to try and attach that PDF download, just to be safe.

[[#2]] “The American Bar Association has sued the federal government, asking the court to order the Department of Education to reinstate a **student loan forgiveness program, which the federal agency had rescinded and applied retroactively to lawyers and others who had worked in what they believed had qualified under the terms of the program as "public service" jobs** at the ABA and other non-profit membership organizations after graduating college.”

Source: COOK COUNTY RECORD, Article: “American Bar Assn sues Dept of Ed over rewrite of student loan forgiveness program rules,” By Dee Thompson | Jan 13, 2017

LINK: <https://CookCountyRecord.com/stories/511071430-american-bar-assn-sues-dept-of-ed-over-rewrite-of-student-loan-forgiveness-program-rules>

[[#3]] “The fundamental unfairness of **retroactive application** of changes in law is well recognized by Congress.”

Source: Title XI Bankruptcy Reform: Hearing Before the Subcommittee on Merchant ...

By United States. Congress. Senate. Committee on Commerce, Science, and Transportation. Subcommittee on Merchant Marine

LINK: [https://books.google.com/books?id=f4CwMY-](https://books.google.com/books?id=f4CwMY-CSxMC&pg=PA77&lpg=PA77&dq=)

[CSxMC&pg=PA77&lpg=PA77&dq="changes+in+law"+"retroactive"+"bankruptcy"&source=bl&ots=1Y39QSIjy&sig=ACfU3U1AtV7WzaQBKqiGdDxDIuHzSrr29w&hl=en&sa=X&ved=2ahUKEwjU7dG8x57lAhUnzlkKHfvJCPsQ6AEwEHoECAkQAQ#v=onepage&q=%22changes%20in%20law%22%20%22retroactive%22%20%22bankruptcy%22&f=false](https://books.google.com/books?id=f4CwMY-CSxMC&pg=PA77&lpg=PA77&dq=)

[[#4]] “**In 1970s, Congress made it effectively impossible to discharge federal student loan debt.** There was an unfounded perception of abuse of the bankruptcy process by student borrowers, even though less than 1% of all federal loans had actually been discharged. In 2005, private loans would face a similar fate. Private lenders argued that changes were necessary to increase the availability of loans, and to keep interest rates from rising to cover the loans discharges. Yet the amount of new private student loans issued annually rose 767% from 1997 to 2005; clearly, issuing loans was not a problem when these protections were still in place. However, Congress removed bankruptcy protections for private loans as well.”

Source: HuffPost – a 05/16/2012 Article: “\$1,000,000,000,000: How Did We Get Here?,” By Jennifer Mishory and Nicholas Kelly,

LINK: [https://www.huffpost.com/entry/student-loan-debt\\_b\\_1521687](https://www.huffpost.com/entry/student-loan-debt_b_1521687)

**GORDON'S COMMENT:** Though not stated, it is obvious: The changes in law affected existing loans retroactively. If you doubt that, then try to discharge my old collegiate loans: Next to impossible because they now have the 'Undue Hardship' standard, which is super hard—unlike credit cards.

[[#5]] “Well, the default rate in the early 90s was already over twenty percent. Loan defaults are the market signaling mechanism that tells us that people cannot afford the loans.

But instead of heeding this signal, what did Congress do? **They removed bankruptcy protections on federal loans in 1998, and on private loans in 2005.**”

**GORDON'S COMMENT:** Context implies that this happened retroactively to existing loans.

SOURCE:

[https://www.reddit.com/r/studentloandefaulters/comments/3nm3iw/americas\\_crushing\\_surge\\_of\\_student\\_debt\\_has\\_bred/](https://www.reddit.com/r/studentloandefaulters/comments/3nm3iw/americas_crushing_surge_of_student_debt_has_bred/)

[[#6]] “In 2005, a Republican-controlled congress under President George W. Bush, with strong support from the financial sector, for-profit colleges, and collection agencies, passed draconian legislation which is putting more and more students into debt that they may never get out of. **The Republican-controlled Congress in 2005 removed bankruptcy protections to those who hold college loans.** This despite the fact that student bankruptcy from student loans was at 1 percent, which is about the same that was found in the rest of society.”

SOURCE: Metro West Daily News: “Guest Opinion: Students are becoming indentured servants,” by Kenneth Pottel, Apr 24, 2014 at 5:22 PM, <https://www.MetroWestDailyNews.com/article/20140424/OPINION/140427755/1996>

Cross-posted apparently to: <https://www.WickedLocal.com/article/20140424/OPINION/140427755/0/araArchiveDetails>

Cross-posted to: <https://www.HeraldNews.com/article/20140424/OPINION/140427755>

**GORDON'S COMMENT:** He said from it affected “those who hold college loans” – e.g., retroactively. While an opinion piece, they wouldn't let false claims slip in.

[[#7]] “BAPCPA also removed bankruptcy protections on student debt for private student loans. This was the culmination of several decades of reduced protections on student loans, starting in the late 1970s. First student loans weren't dischargeable in bankruptcy during their first five years. Then, in 1996, Social Security payments became eligible to be garnished to pay student loans. In 1998, the statute of limitations was removed so that public student loans were never dischargeable. BAPCPA extended all this to private loans. At the time, the private lender Sallie Mae pushed for this reform above all others. A study by Mark Kantrowitz found that this change did little to increase the availability of private student loans to students with poor credit, which is precisely what it was supposed to do (Konczal 2011).”

SOURCE: “A NEW REPORT BY THE ROOSEVELT INSTITUTE AIMS TO ESTABLISH A SOLID DEFINITION OF FINANCIALIZATION.”

**LINK:** [https://RooseveltInstitute.org/wp-content/uploads/2015/10/Defining\\_Financialization\\_Web.pdf](https://RooseveltInstitute.org/wp-content/uploads/2015/10/Defining_Financialization_Web.pdf)

[[#8]] **“Congress removed bankruptcy protections, refinancing rights, statutes of limitations, truth in lending requirements, fair debt collection practice requirements (for state agencies) and even removed state usury laws from applicability to federally guaranteed student loans.** Congress also gave unprecedented powers of collection to the industry, including wage, tax return, Social Security, and Disability income garnishment, suspension of state issued professional licenses, termination from public employment, and other unprecedented collection tools that are used against borrowers for the purpose of collecting defaulted student loan debt.”

SOURCE: NOTO LAW SCHOOL LINK: <https://www.NotoLawSchool.com/student-loan-justice-info/>

**GORDON'S COMMENT: Context implies that this happened retroactively to existing loans.**

[[#9]] **“In 1998 The Higher Education Amendments of 1998 removed bankruptcy discharge for student loans after seven years in repayment,** and made student loans almost entirely non-dischargeable.<sup>6</sup> The law took effect on October 7, 1998 and thus borrowers who reached their seventh year of repayment before the reform had discharge available, while borrowers who reached their seventh year of repayment after the reform were unable to discharge their students loans in bankruptcy.”

“<sup>6</sup>There are rare cases in which students loan borrowers can prove undue hardship and discharge student loans. See appendix A for more on student loan bankruptcy.”

SOURCE: Future Conferences - Financial Management Association – Title: “Strategic Default on Student Loans \*,” by Constantine Yannelis†, †Department of Finance, NYU Stern School of Business, New York, NY 10012. [constantine.yannelis@stern.nyu.edu](mailto:constantine.yannelis@stern.nyu.edu), October 2016, Abstract – LINK: [http://www.FmaConferences.org/Napa/2017/Strategic\\_Default.pdf](http://www.FmaConferences.org/Napa/2017/Strategic_Default.pdf)

[[#10]] **“Congress removed bankruptcy protections, refinancing rights, statutes of limitations, truth in lending requirements, fair debt collection practice requirements (for state agencies) and even removed state usury laws from applicability to federally guaranteed student loans. Congress also gave unprecedented powers of collection to the industry, including wage garnishments, tax return offsets,** Social Security, and Disability income garnishment, suspension of state issued professional licenses, termination from public employment, and other unprecedented collection tools.”

SOURCE: REVIEW MAGAZINE – Title: “THE STATE OF THE STUDENT LOAN CRISIS: 2014: (A Complete and Comprehensive Assessment),” Posted In: News, Investigative Reporting, National, From Issue 784, By: Mike Shovan, 30th January, 2014 – LINK: <https://www.Review-mag.com/article/the-state-of-the-student-loan-crisis-2014>

– **GORDON'S COMMENT: Context implies that this happened retroactively to existing loans.**

[[#11]] “For evidence of the government’s resolve to remain committed to aligning with keeping moral hazard intact, look no further than the removal of bankruptcy protection. Utilizing moral hazard as a seminal argument, in the late 1970’s Congress **removed bankruptcy protections for student loan borrowers (Hancock, 2009; Pardo & Lacey, 2009).** And today, the government **continues to fight against restoring bankruptcy protections under the Obama administration (Kitroeff, 2015).**”

SOURCE: BY DANIEL A. COLLIER, DISSERTATION

Submitted in partial fulfillment of the requirements for the degree of Doctor of Philosophy in Educational Organization and Leadership in the Graduate College of the University of Illinois at Urbana-Champaign, 201

LINK: <https://www.Ideals.Illinois.edu/bitstream/handle/2142/92952/COLLIER-DISSERTATION-2016.pdf?sequence=1&isAllowed=y>

[[#12]] “–This is NOT a “millennial” issue. There are student loan debtors of retirement age who are having their social security/disability payments garnished because of student loan debt. [] –**The not-so-very-liberal Bill Clinton administration removed bankruptcy protections for student loans in 1998** and decided to garnish social security benefits from debtors in 1996. (Still LOVE Hillary?) Of course our dear friend (fiend?) **George W. Bush kindly placed the final nail in the coffin in 2005 with the Bankruptcy Abuse Prevention Consumer Protection Act** (another Orwellian term for a law that does the opposite of protect consumers.”

LINK: <http://www.meriacairns.com/tag/barbara-ehrenreich>

Sanders' claim that college was once free in America was rated “mostly true” by PolitiFact, because it WAS free in some places & very affordable elsewhere. So, if America had the best higher ed in the world—and was free in the past, it's not unreasonable to enact the more-modest legislation that I request.

**Gordon says – here's proof of Sen. Bernie Sanders' (I-VT) claim:**

“Was college once free in United States, as Bernie Sanders says?,” PolitiFact, RATED “Mostly True” - By Amy Sherman on Tuesday, February 9th, 2016 at 4:00 p.m. <http://www.PolitiFact.com/florida/statements/2016/feb/09/bernie-s/wascollege-once-free-united-states-and-it-oversea> ; see also: "GERMANY: Hamburg to scrap tuition fees," by: Michael Gardner, UniversityWorldNews.com, 25 September 2011, Issue No:190 <http://www.UniversityWorldNews.com/article.php?story=20110923212949476> ; see also: "Republican Congressman breaks with party, admits college loans deserve bankruptcy," By Gordon Wayne Watts, The Register, <http://GordonWatts.com/BraveRepublicanBreaksRanksWithGOP-HigheEd.html> -

<http://GordonWayneWatts.com/BraveRepublicanBreaksRanksWithGOP-HigheEd.html> Published: Wednesday, April 13, 2016 at 12:34 p.m., -UPDATED: Sunday, September 04, 2016 at 01:24 a.m. (EST-EDT)]

Finally, news outlets reported last week (Oct. 8, 2019) that Sec. of Education Betsy DeVos was about to be arrested for violating a court order for the DOE to stop collecting on student loans from 16,000 students who went to the defunct Corinthian college—whose fraud made students eligible for a special discharge. DeVos is obviously to blame, but I believe lawmakers' refusal to enact the bills I request were partly to blame for her losing her mind. Therefore, I call upon Rep. Spano to pass both the loan limits bill (which Trump, DeVos, & myself have repeatedly requested) as well as HR 2648, a responsible compromise to the Liberal over-taxation ruining any one who aspires to get an education & better themselves. Over 44 million Americans have college debt, & another 30—40 million as cosigners or family, so changes are needed. My proposals, unlike a minimum wage hike, aren't inflationary (don't require printing of new dollars), and thus the preferred way to offer relief to the middle-class.

**Gordon says:** For proof about “Over 44 Million” Americans have collegiate debt (& more are co-signers / family!!) →

\*\* <https://Breitbart.com/politics/2019/04/12/amnesty-advocates-help-illegal-immigrants-get-colleges-scholarships-while-44-7-million-americans-saddled-with-student-debt>

\*\* <https://BusinessInsider.com/millennials-college-not-worth-student-loan-debt-2019-4>

\* <https://BusinessInsider.com/successful-y-combinator-application-goodly-new-student-debt-startup-2019-4>

\* <http://TheFiscalTimes.com/2019/04/22/Elizabeth-Warren-s-New-640-Billion-Student-Debt-Cancellation-Plan>

**Gordon says:** For proof about DeVos, you may Google her name – its all in the news... – or see here:

\*\* <https://www.NewsWeek.com/betsy-devos-could-face-jail-after-judge-rules-violated-2018-order-1463764>

\*\* <https://www.MetroTimes.com/news-hits/archives/2019/10/08/betsy-devos-could-face-jail-time-for-collecting-debt-from-former-students-of-a-bankrupt-for-profit-college>

\*\* <https://www.MSN.com/en-us/news/crime/betsy-devos-could-face-jail-time-after-judge-rules-she-violated-2018-order-on-student-loans/vi-AAItCZM>

\*\* <https://www.Forbes.com/sites/zackfriedman/2019/10/08/is-betsy-devos-going-to-jail>

\*\* <https://www.UsaToday.com/story/news/education/2019/10/08/betsy-devos-jail-sallie-kim-department-of-education-corinthian-college/3912609002>

\*\* <https://www.LATimes.com/business/story/2019-10-07/judge-rips-into-trump-education-chief-betsy-devos-over-student-debt>

**Gordon Wayne Watts (contact him at [GordonWatts.com](http://GordonWatts.com) or [GordonWayneWatts.com](http://GordonWayneWatts.com)) is a constituent in Rep. Spano's district and a former candidate for the Florida House of Representatives.**

**Gordon says:** I now have a Plant City address (so I can't say I am a Lakeland resident), but I'm still in Rep. Spano's district, have been a past guest columnist of legend, lore, & fame – and (most-importantly) reside in the reading area of The Ledger—which covers all things Spano.

**Word count: Not counting the red title or the green footer, my column is 697 words long < 700-word limit.**

**Gordon says:** Here is contact information for Congressman Spano & staff to ask them if I've quoted them correctly:

**Washington, DC Office:** 224 Cannon HOB, Washington, DC 20515

Phone: (202) 225-1252, Hours: Monday-Friday, 9 a.m. to 5 p.m.

**Lakeland Office:** 124 S. Florida Avenue, Suite 304, Lakeland, FL 33801

Phone: (863) 644-8215, Fax: (863) 603-0749, Hours: Monday-Friday, 9 a.m. to 5 p.m.

**Brandon Office:** 10101 Bloomingdale Ave, Suite 202 (upstairs in the CenterState Bank building), Riverview, FL 33578

Phone: (813) 393-5080, Fax: (863) 603-0749, Hours: By Appointment

**Emails:** [info@RossSpano.com](mailto:info@RossSpano.com), [James.Jacobs@mail.house.gov](mailto:James.Jacobs@mail.house.gov), [Blaine.Gravitt@mail.house.gov](mailto:Blaine.Gravitt@mail.house.gov)

**Gordon says:** Here are the 2 bills in question that need to be passed into law & signed by the tall Orange-haired guy in the Oval Office:

**Two (2) Versions of the “Loan Limits” Bill that Pres. Trump requested:**

\*\* <https://GordonWatts.com/BILLS-116hr-GWW-proposed-ih.pdf> << Rep. Spano needs to introduce one of the 2 versions.

Or: <https://gordonWAYNEwatts.com/BILLS-116hr-GWW-proposed-ih.pdf>

**Here's the bill that would fix several constitutional flaws in existing U.S. Bankruptcy Law:**

HOUSE BILL – H.R. 2648: <https://www.Congress.gov/bill/116th-congress/house-bill/2648/text> << Rep. Spano needs to cosponsor.

SENATE Companion bill: [www.Congress.gov/bill/116th-congress/senate-bill/1414/text](http://www.Congress.gov/bill/116th-congress/senate-bill/1414/text) << Sens. Scott & Rubio need to sign on.