



CALIFORNIA STATE TREASURER JOHN CHIANG

# NEWS ADVISORY

FOR IMMEDIATE RELEASE

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## Treasurer Chiang Joins SEIU to Co-Sponsor Sen. Allen Bill That Cuts Cost of High-Interest Student Loans

**SACRAMENTO, Calif.** – California’s graduates are drowning in debt. Many students are saddled with tens of thousands of dollars in loans to finance degrees they need to succeed as workers and citizens.

Providing post-secondary education to more young people has never been more crucial to a prosperous Golden State. At the same time, it has never been more expensive. That is why State Treasurer John Chiang and Service Employees International Union (SEIU) are co-sponsoring Senate Bill 674, authored by Sen. Ben Allen (D-Santa Monica).

SB 674 will create a \$25 million first-loss protection fund to incentivize financial intuitions to provide better credit terms to lower monthly student loan payments for Californians. Refinancing would be open to borrowers who obtained private financing for trade, career, technical certificates, diplomas, or degrees.

This bill comes as President Trump’s Administration is moving to eliminate protections for student borrowers. Earlier this week, Education Secretary Betsy DeVos rescinded Obama-era policy on student loan collections, [a move consumer advocates say](#) will make it harder for borrowers to repay and could lead more people to default on repayment.

**When:** 11 – 11:30 a.m., Tuesday, April 18, 2017

**Where:** California State Capitol (Room 1190)  
Sacramento, CA 95814

**What:** Announcement of SB 674, legislation that would create a \$25 million first-loss protection fund to incentivize financial intuitions to provide better credit terms to lower monthly student loan payments for Californians. The program would be administered by the California Educational Facilities Authority, which is chaired by Treasurer John Chiang.

**Who:**

State Treasurer John Chiang

Sen. Ben Allen, D-Santa Monica

Jennifer Egan, Graduate and President, California Faculty Association

Tara Chandler, MSW, SCSW, Emergency Response Unit at Department of Children and Family Services at Santa Fe Springs Office

Ciel Senechal, College Ave Student Loans

**Additional Information:**

[Click here to watch a livestream of the news conference](#). Livestream will begin at 11 a.m., Tuesday, April 18.

*For more news, please follow the Treasurer on Twitter at [@CalTreasurer](#), and on Facebook at [California State Treasurer's Office](#).*