

Tennessee punishes workers who default on student loans, ignores politicians' fines

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The state of Tennessee punishes the working class in its struggles to secure an education and a decent job, but looks the other way when it comes to election law violators who fail to pay fines.

The *New York Times* recently pegged Tennessee as the nation's most aggressive state in penalizing those who default on student loans. Nurses and teachers lose their licenses and their jobs if they fall behind on payments, and the future is anything but bright for those now in school.

More than 44 million Americans hold a total of \$1.4 trillion in student debt, a sum greater than total US credit card debt or automobile loans. Student loan debt could soon rival the total debt for home mortgages, with an average payoff time for a student loan approaching 20 years.

As the WSWWS observed in a recent perspective, "Today's recent graduate can look forward to at least half a lifetime of penury as the cost of an undergraduate degree. And for those who can't afford more than the interest every month, it's a lifetime."

Daily more than 3,000 people for many different reasons, including health problems, family troubles or a lack of work, default on their federal student loans.

But while they punish those unable to pay their student loan debt, a forgiving Tennessee state legislature, state election officials and even the state's attorney general's office conveniently overlook those owing election violation fines, including those imposed for failing to report all money donated to their campaigns or committees.

The *Tennessean* reported that the state has allowed election law fines totaling \$1 million for 220 individuals and dozens of political action committees to go uncollected for decades. Some of the fines are 26 years old.

Meanwhile struggling workers who borrowed money to

go to school and then stumble cannot evade the state apparatus.

"Tennessee is one of the most aggressive states at revoking licenses, the records show," the *Times* reported. "From 2012 to 2017, officials reported more than 5,400 people to professional licensing agencies. Many—nobody knows how many—lost their licenses."

In Tennessee and 19 other states, workers pay back their student loans.... or else.

The *Times* led its lengthy report with the case of Shannon Otto of Nashville, Tennessee. Otto lost her nursing license when she developed epileptic seizures and was unable to work. With no income, she failed to make her student loan payments. The state responded by suspending her hard-earned nursing license.

When she was able to get treatment, got her seizures under control and was ready to go back to work, she was unable to pay the \$1,500 the Tennessee Board of Nursing demanded to reinstate her license.

"I absolutely loved my job, and it seems unbelievable that I can't do it anymore," Ms. Otto said.

The *Times* notes: "Firefighters, nurses, teachers, lawyers, massage therapists, barbers, psychologists and real estate brokers have all had their credentials suspended or revoked." It added, however, that "determining the number of people who have lost their licenses is impossible because many state agencies and licensing boards don't track the information."

According to the publication the licenses of at least 308 nurses and 223 teachers in Kentucky have been revoked or flagged for review. In Louisiana, 87 nurses now face losing their jobs unless they can become current on loan payments.

However, unlike working class students, those who run for office are generally not worried about money nor are they pursued for their refusal to pay off fines. The more well off—lawyers and morticians have been

disproportionately represented in the legislature—finance their own campaigns or readily find the businessman or corporate sponsor with deep pockets to underwrite them.

How other states handle election law fines is not apparent, but Tennessee waits years to try to collect fines from the privileged group of Tennesseans who represent the ruling class in the legislature.

Even as the state reluctantly goes after delinquent fines, it does not go after all that they owe, much less demand interest or revocation of professional licenses.

The state's Attorney General's office is considering an agreement to cut the fine in half for two legislators, one who owed more than \$40,000 and another who owed \$10,000.

In a revealing comment, the *Tennessean* reported: "No one clarified why the attorney general and registry decided to accept such payment agreements..."

While elected officials in Nashville are merciless in their efforts to squeeze money out of former students for creditors, those in Washington D.C. find money for tax cuts for the rich and for corporations by slashing educational benefits for those who need them most.

A tax plan proposed and approved by the House of Representatives, should the Senate approve it and President Trump sign it, would:

- Raise the cost of attending college over the next ten years by \$65 billion, according to an estimate by the American Council on Education (ACE).
- Repeal a tax deduction for interest payments on student loans that saves borrowers \$625 annually for borrowers making less than \$65,000 a year, or for married couples making less than \$120,000. In 2015, 12 million people filed for this deduction.
- Require that tuition waivers for 145,000 graduates who work as teaching assistant be taxed as income.

To add insult to injury, President Trump is proposing to abolish subsidized federal loans and institute a single program for all federal lending for students. Such a change would result in a single income-based repayment plan at 12.5 percent of adjusted gross income .



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