

EP39 Loan Forgiveness

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SPEAKERS

Tommy Nickel, Rebecca Urry, Kyle Nickel, Janet Maltbie, Reanna Urry

Janet Maltbie 00:00

Both of your sisters took out student loans that had some impact on you didn't it?

Reanna Urry 00:04

Yes, for a while, I wanted to do that as well. But then I saw just after they graduated, the amount of dollars they owe. And I was like, I don't want to do that.

Janet Maltbie 00:22

From the west side of Cleveland, Ohio, this is the no long zone podcast on Radio wannabe.com. I'm Janet Maltbie. I'm a career counselor, and I've helped thousands of students and adults in transition make wise of career choices. I believe completing a degree pursuing passionate work and debt free living is key to your future. I'm here to help you on your journey, and so are my guests. Today in our program, we talked with several college grads and a current student about the \$10,000 college loan forgiveness program. Is it fair? What kind of impact will this have on them? And the people who will eventually pay for the program? What is the right answer to this dilemma? That many fear will cost the American taxpayer \$1 trillion? For answers, we begin by talking with students who will benefit from this program, and some who won't. We start off with Kyle nickel. Kyle was one of those students that graduated about 10 years ago and managed to pay off his loans as quickly as he could. I met with him by phone and asked him about his college experience.

Kyle Nickel 01:30

Yeah, so after college, got a job started two weeks after I graduated, and just knew that I needed to be diligent about paying off my student loans. So moved home, as many do now for the first year and paid off \$14,000 in student loans within my first year. So it was a definitely a hard task. But it was a worthwhile.

Janet Maltbie 01:54

What's your reaction now with what's going on with the 10 to \$20,000? of loan forgiveness?

Kyle Nickel 02:02

You know, I think there's two sides of it for me. So if I had two loans, I would take it. My sister in law has an enormous amount of student loans from nursing school, and it has been a huge blessing and relief to her. On the other side of the fence, though, I think that there's should the people that were diligent and didn't get a job and user degree, should they be rewarded? Should they get \$10,000

rebate? I think that maybe they should, you know, because they were the ones that paid by the terms of agreement with a loan and paid off all their loans.

Janet Maltbie 02:38

So unfortunately, Kyle won't benefit at all from the program, but his sister in law will. Another family member who will benefit is his brother, Tommy, they have the same communications degree. But Tommy went to a private school. 12 years later, he's still paying off his loans.

Tommy Nickel 03:05

Hello, Hey,

Janet Maltbie 03:06

Tommy, how are you?

Tommy Nickel 03:07

Good. Hey, there we go. Sorry. I was having issues with the headset. How are you doing?

Janet Maltbie 03:11

Good. I will make this quick. I just wanted to kind of little recap. You went to Malone, which was a private school.

Tommy Nickel 03:20

Yeah, I graduated 12 years ago.

Janet Maltbie 03:22

And at that time, you incurred quite a bit of debt, I believe, especially compared to your brother, Kyle. And now 12 years later, you're still paying it off? That is correct. But now, this \$10,000 loan forgiveness. How do you feel about that?

Tommy Nickel 03:42

You know, I wasn't really having any shoes paying it as of the last several years. And then pandemic happened. And they went on hold. And my wife and I also had a baby at the same time. So we kind of just honestly forgot about them. But I only had about seven left. And so this actually just wipes out the rest of mine, which is very convenient for sure.

Rebecca Urry 04:13

I first took out my loans in 2015 when I did my undergrad at John Carroll. And then once I graduated 2019 I went back to school to get my masters to Liberty University online and did another year of college loans.

Janet Maltbie 04:28

Another student who will benefit from the loan forgiveness program is Rebecca URI. Like so many students. She took out loans not only for her bachelor's degree, but also for her master's degree. And you took out I believe \$40,000, total?

Rebecca Urry 04:44

Yes, I had about 40,000 and I'm currently at a total of 34,000.

Janet Maltbie 04:49

Okay, and I believe that you will have been working like two jobs, sometimes during the year.

Rebecca Urry 04:55

Correct just to help stack aside some money so I can pay off my loans.

Janet Maltbie 05:00

Yeah, just briefly, can you just tell us like how \$40,000 in loans? How did that impact you?

Rebecca Urry 05:07

It kind of just made me realize how much money I had to pay back and seeing that they were expecting it to take me about 20 years to pay it off. And so that kind of put my life on hold of like getting married and starting a family because I wanted to enter a marriage without any debt.

Janet Maltbie 05:26

So tell us what is this \$10,000 loan forgiveness mean to you?

Rebecca Urry 05:31

Well, fortunately, I get to fall into the \$20,000 category, since I've had Pell Grants my first two years of college. So it is a huge relief for me. So I was celebrating the day, they announced that when the news came out, I believe it was at the end of August, I like kind of looked at what my total would be remaining after the forgiveness comes out. And so I'm looking at 14,000, and I currently have money set aside to pay off some of it. So my goal is to really push myself to pay it off in the next year. So I'm going to keep my second job, so I can just set aside more money and help pay off that sooner.

Janet Maltbie 06:11

So do you have like, any concerns about how this loan forgiveness is being paid? And I mean, somebody has to pay for it, right?

Rebecca Urry 06:20

I mean, I know it's probably gonna hurt the economy, and we're gonna see inflation and like businesses, but I haven't like thought too far. I'm just like, This is too good to be true. So I'm waiting for something to hit me with reality.

Janet Maltbie 06:45

It's not just Rebecca, who knows it might hurt the economy. But Tommy had similar concerns as well.

Tommy Nickel 06:51

Yeah, sure. I'm grateful don't have to make my payments anymore. But I'm curious whose generation is going to kind of get caught with the bill on that stuff? It's our kids or grandkids or great grandkids, but at some point down the line, that's going to be unreconciled. Somewhere, I would imagine.

Janet Maltbie 07:06

So what's the answer to the 10? To \$20,000? Loan Forgiveness Program? Perhaps the best answer is to not take out any loans at all. That's what Rihanna Rebecca's younger sister decided to do this year. She represents a new generation of students committed to finding ways to go to college and not get into debt.

Reanna Urry 07:27

I am currently doing the nursing program. And I picked Cleveland State, because a couple of things. Number one reason why is I really do not want to get into a lot of debt, including state gave a lot of good scholarships, and it's kind of like the perfect University. For me, that's also close to home. So I got to save money.

Janet Maltbie 07:46

Both of your sisters took out student loans that had some impact on you, didn't it?

Reanna Urry 07:51

Yes, for a while, I wanted to do that as well. But then I saw just after they graduated, the amount of dollars they owed. And I was like, I don't want to do that. And so I really just took into consideration of am I gonna go away for college? Have that phone college life? Or am I going to stay at home, save money and still get that same college experience, but just in a different way than everybody else?

Janet Maltbie 08:15

Do you think that you might think about later on taking out a loan because well, it might get forgiven?

Reanna Urry 08:24

Not gonna lie. I didn't like oh, it's kind of nice if that's there, but I promised myself that I would never take out a loan for college.

Janet Maltbie 08:40

Going to college is expensive. For many, taking out a college loan seems to be the only answer. But the loan forgiveness program is controversial. And for many, it seems unfair.

Kyle Nickel 08:52

Where does it end? It's like you give it to certain people but not others. But I feel like maybe everybody should qualify if they're going to do it this way.

Janet Maltbie 08:59

Perhaps the best answer to this dilemma is to not take out any loans at all. That's what the no loan zone podcast is all about. Finding ways for students to complete a degree debt free. I invite you to begin that conversation with me. I meet with students individually and I teach a totally online class

called Career Exploration and Life Planning through Lorain County Community College SDEV 103. For more information, contact me Janet Maltbie at www.noloanzone.com/contact. You've been listening to the no loan zone podcast on radiowannabe.com Until next time, I'm Janet Maltbie. Thanks for listening.