April 3, 2017

Hon. Brett Guthrie
Chairman
Subcommittee on Higher Education
and Workforce Development
Education and the Workforce Committee
Washington, DC 20515

Hon. Susan Davis
Ranking Member
Subcommittee on Higher Education
and Workforce Development
Education and the Workforce Committee
Washington, DC 20515

Dear Chairman Guthrie and Ranking Member Davis:

Thank you for holding this important hearing on March 20<sup>th</sup> entitled, "Improving Student Aid to Better Meet the Needs of Students." This Congress, as you consider the Higher Education Act reauthorization, we applaud your commitment to placing student needs at the center of your decision-making process.

It is in our national interest to have a federal higher education agenda focused on access and completion. To safeguard the nation's continued economic health and sustain growth, we hope that you will adopt policies that allow students to acquire the high-level skills and education that they will need to thrive in the 21<sup>st</sup> century economy. The Bureau of Labor Statistics projects that jobs requiring a masters, doctorate or professional degree are expected to increase at a rate higher that the projected growth rate for all other jobs requiring other levels of education and training. Federal post-secondary policy should align with our projected workforce needs. We urge you to keep in mind the demand for highly-skilled workers in health care fields, as well as other critical fields, as you consider changes to federal student financial aid policy.

In recent years, federal policy changes have made graduate study less accessible to and more costly for students; most negatively affecting low-income, first-generation students and students underrepresented in post-baccalaureate study. We hear from students that these policies have placed higher learning just out of their reach, closing them off from promising careers that require a graduate or professional degree. A recent *Urban Institute* report entitled, <u>Who Goes to Graduate School and Who Succeeds</u>, includes research and data that supports these individual stories. The *Urban Institute* found that students from higher-income backgrounds are more likely than others to enroll, more likely to complete their programs and more likely to earn degrees that promise high value in the labor market. Whereas, four-year college-graduates from lower-income backgrounds are less likely than others to go to graduate school. The report concludes, "the increased earnings and career opportunities associated with most types of advanced degrees make ensuring the broad availability of these programs critical." Research tells us that there is a growing divide and our federal programs should address this by promoting pathways to educational advancement for qualified students who would not otherwise have the means to finance their studies.

Health professions students, in particular, often graduate with relatively high debt compared to other programs. As a result, total student loan repayment may exceed two to three times the amount borrowed. Given the predicted health care workforce shortages the nation faces, it is vital to retain and recruit a diverse health care workforce that will be able to collectively and collaboratively meet the rising health care needs and challenges of our nation.

To that end, we would like to work with you to advance policies to restore, protect and strengthen federal support for graduate study. With the anticipated reauthorization of the HEA, we ask that the following principles be considered:

- Invest in federal public service scholarship and loan repayment programs, such as the Public Service Loan Forgiveness Program for medical and health professions students and other graduate and profession students. These programs are integral to addressing educational debt while expanding access to patient-care in high need areas.
- Preserve the continuation of GradPLUS and Federal Perkins Loans Program as these programs are critical to finance graduate education.
- Reinstate the in-school interest subsidy for federal Stafford loans for graduate and professional students (POST GRAD Act/114<sup>th</sup> Congress/ HR4223).
- Encourage prospective students to pursue their education by maintaining low interest rates on federal graduate and professional student loans and establishing parity with undergraduate interest rate caps.
- Reduce the administrative and financial burdens regulatory barriers place on health professions schools and the students they educate.

We thank you for your leadership and your commitment to all our nation's students. If you have questions or need additional information, please contact Jenny Smulson, Senior Legislative and Federal Affairs Officer, American Psychological Association at <a href="mailto:ismulson@apa.org">ismulson@apa.org</a>. We look forward to working closely with you on the Higher Education Act reauthorization.

## Sincerely,

American Association of Colleges of Osteopathic Medicine
American Association of Colleges of Pharmacy
American Association of Colleges of Podiatric Medicine
American Dental Education Association
American Psychological Association
Association of American Medical Colleges
Association of American Veterinary Medical Colleges
Association of Chiropractic Colleges
Association of Schools and Colleges of Optometry
Association of Schools and Programs of Public Health
Council on Social Work Education

American Association of Colleges of Nursing

Physician Assistant Education Association