

December 15, 2015

Senator Lamar Alexander
Chairman
Committee on Health, Education, Labor
and Pensions
428 Dirksen Senate Office Building
Washington, DC 20510

Senator Patty Murray
Ranking Member
Committee on Health, Education, Labor
and Pensions
835 Hart Senate Office Building
Washington, DC 20510

Dear Chairman Alexander and Ranking Member Murray:

On behalf of the organizations listed below, we write to offer our thoughts on the legislation to extend the Perkins Loan program that will be brought to the floor soon.

We are grateful for the effort and attention you and your staffs have given to this program, and are appreciative that this historic program will be extended for two additional academic years. This additional time ensures that any changes to the student loan programs considered in the reauthorization of the Higher Education Act are done holistically, with full consideration of the merits of the Perkins Loan program.

An extension is also necessary to ensure that the 500,000 students who depend on Perkins Loans to finance their educations are not forced to borrow from costlier sources. In addition, while we appreciate that the bill extends current graduate students participation in Perkins by a year, we would prefer their full program participation over the two years provided by the extension. Federal support for graduate education has steadily eroded over the past few years, even as the skills imparted have never been more valuable to our economy, and this legislation would preserve some aid to graduate students.

However, as currently constructed, the legislation contains a provision that raises concerns among our members. By requiring new Perkins Loans borrowers to exhaust their subsidized and unsubsidized Stafford loan eligibility before being allowed to access Perkins Loans, this bill will necessitate that those students borrow at higher cost than they would under current law. In addition, it establishes a troubling precedent under which the federal government dictates to financial aid offices how to best meet the needs of their students.

In contrast, the approach taken by the House does not include this problematic provision and extends eligibility for new graduate students, and for those reasons we prefer the

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legislation the House advanced in H.R. 3594. While we would prefer the House bill, the Senate measure would importantly continue the Perkins program. As opportunities arise, including in the reauthorization of the Higher Education Act, we will strongly advocate that Congress address the provisions of concern in the Senate legislation.

We thank you for your attention to this critical program and the work that has been done to ensure that Perkins Loans will continue. We look forward to working with you in reauthorization to shape loan policies that will be of the greatest benefit to students.

Sincerely,

A handwritten signature in black ink, appearing to read "Molly Corbett Broad". The signature is fluid and cursive, with the first name "Molly" being the most prominent.

Molly Corbett Broad
President

On behalf of:

American Association of Community Colleges
American Association of State Colleges and Universities
American Council on Education
Association of American Universities
Association of Jesuit Colleges and Universities
Association of Public and Land-grant Universities
National Association of Independent Colleges and Universities
National Association of Student Financial Aid Administrators