



GENERATION
PROGRESS

the institute for
college
access & success



YOUNGINVINCIBLES

May 19, 2015

The Honorable Lamar Alexander
Chairman
Senate Committee on Health, Education, Labor
and Pensions
United States Senate
Washington, D.C. 20510

The Honorable Patty Murray
Ranking Member
Senate Committee on Health, Education, Labor
and Pensions
United States Senate
Washington, D.C. 20510

The Honorable John Kline
Chairman
U.S. House Committee on Education and the
Workforce
2181 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Bobby Scott
Ranking Member
U.S. House Committee on Education and the
Workforce
2181 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairs and Ranking Members:

As advocates for students, college access, success, and affordability, we strongly oppose any proposal that would allow schools to reduce eligibility for federal student aid to entire groups of students. Although such proposals may be intended to protect students from excessive borrowing, they are more likely to deny access to college or to certain programs and careers for low-income students, undermining the fundamental purpose of the Higher Education Act: that all qualified students should have access to a quality education in a program of their choosing regardless of financial circumstances.

Colleges do not need additional authority to reduce student aid eligibility. There is no evidence to support claims of overborrowing by students at [community colleges](#) or [for-profit colleges](#), and all institutions already have the ability to deny or reduce loan eligibility on a case-by-case basis for individual students who may be making poor choices. Allowing institutions to more broadly limit loan eligibility for *groups* of students based on certain characteristics or programs of study would effectively allow institutions to deny low-income students access to certain programs and majors.

Instead, we believe Congress and the Department of Education should analyze the potential impact of prorating federal student loans by attendance status. Unlike Pell Grants, federal loans are not currently prorated based on a student's attendance status. In other words, students enrolled half time receive a prorated portion of the Pell Grant that students enrolled full time receive, but may receive the same loan amount as a full-time student.

Because prorating loans would involve reducing student eligibility for federal loans at a time when college is getting harder to afford, it is essential that the Department first analyze the potential impact of loan proration to determine which students would be most affected, and to ensure it would increase, rather than decrease, college affordability, access, and success. The Department could use currently available data to answer questions like whether students who take out full loans but make only part-time progress are at an increased risk of dropping out and defaulting, or are in fact more likely to complete their programs. The data could also determine whether part-time students who take out full loans only do so sporadically and prudently or do so consistently in such a way that they are at greater risk of exhausting their loan eligibility before completing their degree.

We urgently need research on how prorating loans based on attendance might affect college affordability, access, and success. However, in no case should schools be allowed to reduce eligibility for federal student loans to entire groups of students based on any other factors, which would subvert the goal of the Higher Education Act. Students, not schools, bear the primary risk of borrowing, and students, not schools, should decide whether and how much to borrow.

Thank you for your attention to this important matter.

Respectfully,

Generation Progress

The Education Trust

The Institute for College Access & Success

United States Student Association

Young Invincibles