



March 20, 2023

The Honorable Virginia Foxx  
Chairwoman  
House Education and Workforce Committee  
2462 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Robert Scott  
Ranking Member  
House Education and Workforce Committee  
2328 Rayburn House Office Building  
Washington, D.C. 20515

Dear Chairwoman Foxx and Ranking Member Scott:

AccessLex Institute® is pleased to offer its support for the *Lowering Obstacles to Achievement Now (LOAN) Act*, which would strengthen the Public Service Loan Forgiveness (PSLF) program, increase the value of higher education for graduate and professional students, and make federal student loans less expensive.

AccessLex Institute, in partnership with its nearly 200 nonprofit and state-affiliated ABA-approved member law schools, has been committed to improving access to legal education and to maximizing the affordability and value of a law degree since 1983. The AccessLex Center for Legal Education Excellence® advocates for policies that make legal education work better for students and society alike and conducts research on the most critical issues facing legal education today.

The PSLF program encourages individuals to pursue and persist in public service careers that benefit communities across this country. However, as impactful as the program has been, confusing eligibility requirements and poor communication have caused implementation issues since the opportunity to apply for program benefits first became available. That is why we are encouraged to see the *LOAN Act* take such bold steps to strengthen the program such as eliminating the requirement that an applicant be employed by a qualified employer at the time of forgiveness; reducing the number of qualified payments required prior to forgiveness from 120 to 96; counting payments made on loans prior to consolidation and certain forbearances and deferments as qualifying payments; and requiring the Education Department to maintain an online portal that provides borrowers with better information on eligibility. These changes would simplify the PSLF application process, increase transparency, and improve applicant success rates, which would in turn incentivize more Americans to pursue careers as public servants.

For graduate and professional students, borrowing for higher education has never been more expensive. Under current law, students are prohibited from using their remaining Pell Grant funds to finance their graduate education. In addition, the Budget Control Act of 2011 eliminated Direct Subsidized Loans for graduate students which means that graduate loans accrue interest while borrowers are enrolled in

school. That is why AccessLex applauds the *LOAN Act* provisions that would allow graduate and professional students to exhaust their Pell Grant funds to finance their graduate education and once again provide them with access to subsidized loans. Allowing low-income and underrepresented students, most of whom rely on loans to finance their graduate education, to utilize their unused Pell Grant funds for graduate education could be the difference between whether students can pursue and complete their degree or not. Additionally, reinstating subsidized loans for graduate students would restore parity between undergraduate and graduate education funding policy and help to decrease loan balances by thousands of dollars, while increasing both access to and the value of advanced education.

Lastly, in addition to the growing cost of higher education, borrowers are routinely saddled with high interest rates, origination fees (a percentage of the loan amount charged for the processing of the loan), and interest capitalization that often substantially increase the amount that a borrower must repay. By eliminating interest capitalization and origination fees and ensuring that no new loan will have an interest rate higher than five percent, the *LOAN Act* will help reduce costs for students and decrease debt over time.

Given the mounting cost of a degree, it is critical that Congress take steps to advance policies that make access to higher education a priority and lower the cost for students. The *LOAN Act* presents a strong opportunity to meaningfully and immediately enhance access and affordability of higher education for students who may not be able to otherwise afford it.

Thank you for your time and attention to this matter. If you have any questions, please do not hesitate to contact me at [cchapman@accesslex.org](mailto:cchapman@accesslex.org) or Nancy Conneely, Managing Director of Policy, at [nconneely@accesslex.org](mailto:nconneely@accesslex.org).

Sincerely,



Christopher P. Chapman  
President and Chief Executive Officer