

DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION
NEGOTIATED RULEMAKING PUBLIC HEARING
SESSION 1, DAY 1, MORNING
APRIL 29, 2025

On the 29th day of April, 2025, the following meeting was held in person, from 9:00 a.m. to 12:00 p.m., before Jamie Young, Shorthand Reporter in the state of New Jersey.

P R O C E E D I N G S

MS. ABERNATHY: Good morning, everyone. Now let's try that one more time. Good morning, everyone. That is a much better greeting. It's nice to have you in person today and thank you to those watching via livestream. On behalf of the United States Department of Education, we welcome you and look forward to hearing your comments and your feedback. My name is Tamy Abernathy, and I have the distinct honor of introducing you to Mr. James Bergeron, who currently serves as the Deputy Undersecretary of Education and Acting Undersecretary. Now you've heard of a jack of all trades and master of none. Well, we have a James of all trades and master of many. Okay, come on. That was funny. Come on. All right. The Office of the Undersecretary coordinates policies, programs, and activities related to the Office of Postsecondary Education, the Office of Career Technical Education, Career Technical Adult Education, and Federal Student Aid, and is charged with planning and policy responsibilities to implement the present higher education agenda. Prior to joining the Department, James served as President and Chief Operating- Chief Executive Officer- I'm going to give him a new title before the day is up, Chief Executive Officer of the National Council of Higher Education Resources, or

NCHER, which represents state, nonprofit and private higher education finance organizations that provide a holistic approach to student success. From administering 529 saving plans to operating state-funded grant, loan, scholarship, and college and success programs for first-generation low-income students. Prior to 2014, James worked as the director of Education and Human Services Policy for the House Committee on Education and Workforce, where he developed and managed the committee's legislative agenda in all areas of education and human services policy, including the reauthorization of the Higher Education Act, Carl D. Perkins Career and Technical Education Act, Elementary and Secondary Education Act, No Child Left Behind, Individuals with Disabilities Education Act, Education Sciences Reform Act, Workforce Investment Act, Workforce Innovation Opportunity Act, Assistive Technology Act, Head Start Act, and other Federal laws governing preschool, elementary, secondary, and postsecondary education. He received a Bachelor of Arts in Political Science from the University of Louisiana at Lafayette. Now you see why I said we have a master of many. We are in excellent hands and will benefit greatly from Mr. Bergeron's wealth of knowledge and previous experiences. Please join me in welcoming to the podium Deputy Undersecretary of

Education and Acting Secretary, Undersecretary, James Bergeron.

MR. BERGERON: Good morning, everyone. Thank you for being here. On behalf of Education Secretary Linda McMahon, I'm pleased to welcome you to this public hearing to kick off the launch of Negotiated Rulemaking here at the Department. I'm joined today by other Department officials, Tamy Abernathy and Jeff Andrade from the Office of Postsecondary Education, and Sue Lin from the Office of General Counsel. This is the first of two public hearings that we are convening to gather comments on potential topics regarding regulations that govern Title IV as authorized under Title IV of the Higher Education Act of 1965, as amended. The second hearing will be held virtually on Thursday, this Thursday, May 1st. Please refer to our Negotiated Rulemaking website for additional details about this hearing and other information related to the process. I'll talk a little bit about some housekeeping issues at the end. But first, want to give you guys a little background about kind of the Department's higher education agenda and the purpose of this neg-reg session. Two months ago, Secretary McMahon tasked the Department and its leaders with bringing back common-sense solutions to postsecondary education and leveraging innovation to

reduce college costs. As a businesswoman, the Secretary understands that higher education must lead to a well-paying career and that students and families should have a measurable return on investment. Unlike most commercial industries, where new startups regularly disrupt legacy companies and competition creates an ecosystem of innovation to better serve customers, today's higher education system has become overregulated and a little unfocused. At the heart of these problems, Federal regulations, red tape that forces institutions to take on large administrative and personnel costs and therefore hike their tuition. Students are customers for colleges, but they're rarely treated that way. Rather, colleges and universities are forced to prioritize compliance with Government regulations over serving students. And that's why you're here today as stakeholders who care about students and institutions, to make your voices heard through the public comment period and tell us about your experiences dealing with these regulatory burdens. To that end, the Department is soliciting feedback on ways to streamline Federal financial aid assistance that will maintain or improve program integrity and institutional quality. We're also looking for feedback on several regulatory proposals to align Federal student aid programs with the administration's priorities and clarify

language on repayment plans impacted by recent legal challenges. On Public Service Loan Forgiveness, or PSLF, the Department is interested in ensuring that motivated public servants who have dedicated their careers to critical services and Government and nonprofit work are able to continue to participate in these programs through qualifying employers who are not engaged in illegal activities. We are especially interested in feedback on how to best amend the definition of a qualifying employer to exclude those employers who engage in or perform any activity with a "substantial illegal purpose." The Department also seeks to clarify the terms mentioned in the executive order for the purposes of determining PSLF eligibility. On repayment plans, the Department would like to discuss those improvements included in the final rule establishing the Save Plan that is the securing affordable -- actually saving on valuable -- affordable valuable education plan around family size and other provisions. Those provisions were enjoined by the US Court of Appeals for the Eighth Circuit, as well as the US District Court for the Eastern District of Missouri, though they were not the subject of the initial suit. We also seek feedback on further ideas for better aligning Income Contingent Repayment as well as the Pay As You Earn repayment plan with the requirements of the law.

Finally, as I mentioned, the Department is interested in exploring ways to streamline Federal regulations to foster innovation and reduce college costs while maintaining institutional integrity and quality. The Department, in conjunction with the administration and Secretary McMahon's priorities, is eager to increase affordability and accessibility across the P-16 education system. In postsecondary education, the Department aims to empower states and colleges, and universities to reduce barriers to entry and completion. We also are interested in controlling, or better yet, reducing the cost burden of postsecondary education in the United States. The Department welcomes public input and innovative ideas on this important topic. In summary, we welcome ideas from all stakeholders on how best to improve your experience or how to better improve program management. For example, borrowers. What changes can we make to repayment plans that impact you financially? How do they shape your decisions after graduating college? College leaders, what accreditation challenges do you face? Financial aid administrators, are there any improvements that we can make to rules around financial responsibility or changing ownership to simplify the process? State officials, how can we support and empower you to make the college system in your state world class?

How can we reduce those barriers. And taxpayer and public interest groups, how should we reform the PSLF program to align with the President's promises? And all of this, your engagement will be essential. Over two days this week, everyone who wants to be able to contribute to this process and provide comments will be able to do so. And our agency staff is going to be here to listen until the end of the day. With so many effective, it's appropriate that this process is fully collaborative. Together, we can build a higher education system that's cost-effective, innovative, and inclusive, supporting all learners, whether those who are pursuing traditional degrees or those taking alternative postsecondary pathways. Once the public comment period is complete, the Department will publish a notice in the Federal Register bringing these issues and others that might be added at the public suggestion for a Negotiated Rulemaking committee. We also seek nominees -- we will also seek nominations for that committee for some of the committee members. We hope that you and your colleagues will consider serving in this capacity at that time. During the in-person negotiation process, the Department will provide issue papers on subjects that will be covered and will provide draft regulatory language for discussion, which will serve as a basis for proposed in final rules.

Just like today, all stakeholders will be invited to contribute to this process. It's important to keep in mind that the Department anticipates creating multiple negotiating rulemaking committees over the next year so that there will be ample opportunities for participation by the higher education community and the public. Today, we open this public comment period as a first step in crafting rules that will reduce compliance burdens, lower college costs, and foster innovation. Yes, we're heading into a somewhat slow and convoluted maze. This rulemaking process will require hard work and careful thought. But on a happier note, we know how impactful this process will be for students when we reach the end. The final rule or rules will advance educational opportunity for millions of students and their families, begin to reverse the ongoing problem of rising college costs, and provide a path for institutions to truly innovate without the heavy hand of the Federal Government looking over your shoulder. Thank you for your commitment. I look forward to your insights and to forge a brighter path for American postsecondary education. Before I turn it over to Tamy, we've got some housekeeping issues. As I said, if you wish to provide a public comment but have not signed up yet, we still have availability. Please see our education staff at the front desk to sign up for a time.

We have also extended the written public comment period through May 8th. With respect to the logistics for today's hearing, for those who have already signed up to provide public comment, Tamy will call your name. Please come to the microphone in the front of the room. Please provide your name and affiliation before speaking. Tamy will let you know when to begin speaking. Speakers are asked to limit their remarks to three minutes. Speakers, please draw your attention to the timer in front of the head table, as it provides you with the countdown. At the end of your three minutes, Tamy will ask you to wrap up if you're still speaking, and we ask that you do so within 20 seconds. Thank you in advance for your cooperation. At the same time, we respectfully ask you to refrain from interrupting commenters while they are speaking or disrupting the hearing with unwarranted behavior. This hearing is being transcribed, and the transcription will be posted on our website in a few weeks. The Department will also have an audio recording of the hearing, which will be posted on our website when it becomes available. We have three scheduled breaks today, one from 10:30 to 10:45, another during lunch from 12 to 1, and then from 2:30 until 2:45. So we've got two 15-minute breaks. Breaks may be extended if we do not have scheduled commenters. The restrooms are located to

the left and right after you exit the auditorium. If you leave the building, please allow for adequate time to go back through security. In consideration of others, we ask that you silence your cell phones and any other noise-making devices you may have with you today. Any calls, please feel free to make them out in the lobby. So, with that, we look forward to hearing your comments. Thank you for your time and for sharing your information with us. We look forward to a productive day. I'll turn it over to you now, Tamy.

MS. ABERNATHY: Thank you, James. For those who do not know me, I have worked with the Federal Student Aid and Loan Program since 1986, 39 years. I'm the director of the Policy Coordination Group in the Office of Postsecondary Education, and my team works on policy matters related to the Federal Student Aid Loan Programs. Sue Lin from our Office of General Counsel is sitting with James and me at the table today. Without further delay, we will get started with our first public commenter. As James mentioned, please come up to the microphone on the floor at the front table when I call your name, and please introduce yourself and your affiliation if applicable, and you have three minutes. I'm going to ask our first commenter listening to come on up and be prepared. We're going to test your microphone

to make sure that it's ready. And then we'll give you the go sign to start your comment.

MS. KING: Yep. Is the mic working?

MS. ABERNATHY: Yep. You have three minutes.

MS. KING: My name is Liz King, and I'm the Senior Director of the Education Equity Program at the Leadership Conference on Civil and Human Rights in Washington, DC. We are a coalition charged by our diverse membership of more than 240 national organizations to promote and protect the civil and human rights of all persons in the United States. As the Department begins the process of considering changes to the regulations implementing the Higher Education Act of 1965, a law created during the height of the Civil Rights Movement and at the demand of those communities. Black, Latino, Native American, Asian American, and LGBTQ people, Women, religious minorities, and people with disabilities who were shut out of higher education and the pathway it created to full participation in the social, political, and economic life of the country. I would like to remind the Department that while much has changed in the past 99 days, two very important things remain the same. First, what students need and deserve to grow and thrive in school is unchanged. Students need strong preparation

from safe, welcoming, and well-resourced K-12 systems. They need support in pursuing postsecondary options that enable them to reach their goals. They need affordable access to high quality education. They need robust guardrails that protect them from exploitation by shady, for-profit actors and unscrupulous lenders. They need positive campus climates that support their persistence to graduation, and they need meaningful paths to debt cancellation after they graduate. Second, our laws have not changed. Our civil rights laws that prohibit discrimination on the basis of race, color, national origin, sex, including sexual orientation and gender identity, and disability have not changed. And our higher education laws that provide financial aid, consumer protections, and loan forgiveness, including for those who pursue public service, have not changed. The prospect of considering amending the regulations that govern implementation of the HEA in an environment in which access to higher education is under a relentless, unlawful, and baseless attack is alarming. The ideas that have been put forward in the last 99 days of what else the administration might seek to change are even more alarming. We are seeing a world turned on its head where responsible institutional leaders are extorted for their efforts to pursue the national imperatives of diversity

and racial equity, while high-cost, low-quality actors are promised unfettered access to the pockets of students and taxpayers alike. The critically important work of public servants, first responders, and other helpers in our communities is called into question through vague policies that make their distinctions based on the viewpoint of those involved. The role of regulation is to fulfill the intent of Congress. No regulation or any executive action can change the Constitution or any law. I implore this Department and the negotiators to come to hold true to their responsibility to advance equity, protect students from discrimination, and fulfill the promise of higher education and its most important Federal law. Thank you.

MS. ABERNATHY: Thank you for your comment. Jill Desjean? I may have pronounced that wrong. I apologize in advance if I massacre anyone's name today. You have three minutes.

MS. DESJEAN: Good morning. I'm Jill Desjean, Director of Policy Analysis at the National Association of Student Financial Aid Administrators, representing 29,000 financial aid professionals at nearly 3000 colleges and career schools across the country. Thank you for this opportunity to share NASFAA's thoughts on the topics the Department is considering for its

upcoming rulemaking session. Starting with refining the definition of a qualifying employer for Public Service Loan Forgiveness, NASFAA disagrees with the Department's proposed plan to narrow the definition of which organizations' employees would qualify for this program. The President's executive order prompting this rulemaking seeks to exclude organizations engaged in illegal activities from PSLF eligibility. NASFAA agrees that organizations proven by the courts to have violated the law should not be PSLF qualifying employers. However, if an organization were engaged in such activities, their nonprofit status should be formally revoked through long-established procedures that allow for due process.

(inaudible) negotiators to identify illegal activity without legal finding is not only an ineffective approach but is dangerously subjective. It risks empowering negotiators to target organizations based on disagreements with their mission or services, rather than on objective, proven legal decisions. With respect to the Income Contingent and Pay As You Earn student loan repayment plans, we remind the Department that a strong safety net is essential for student loan borrowers who take their obligation to repay their loans seriously, that cannot be due to unanticipated challenges like economic downturns or health challenges. Any viable IDR

Plan moving forward must incorporate the foundational elements of affordable monthly payments and protection from a lifetime of debt. Finally, NASFAA supports the Department's goal of streamlining the Title IV regulations. We believe such efforts would be impactful, focused on three key areas. Financial value transparency, return to Title IV funds, and state licensure requirement determinations. NASFAA supports transparency about college costs and outcomes. However, it is inappropriate to apply short term metrics designed for programs leading to gainful employment to non-GE programs that deliver a longer term return on investment and should revisit the Financial Value Transparency regulations to ensure proper consideration is given to this new framework that was not adequately considered in the original negotiations. With respect to return of Title IV funds or R2T4, NASFAA appreciates recent attempts to make R2T4 more fair to students while reducing institutional burden. However, these efforts ultimately compounded an already excessively burdensome system. We strongly advocate for a fundamental overhaul of R2T4, prioritizing radical simplification. Lastly, Title IV regulations requiring schools to navigate complex and often unclear state level licensure rules create significant operational complexity and administrative burden. Streamlining this requirement

by reverting to the previous standard would achieve the necessary transparency for students while substantially reducing institutional burden. We look forward to working with the Department throughout this rulemaking process and will also be submitting written comments. Thank you.

MS. ABERNATHY: Thank you for your comment. Lauren Releford? Lauren Releford? I hope I'm not pronouncing that wrong. Nicole Hochsprung? Amy, are you trying to flag me for something? Oh. All right, well, then we'll just keep moving, shall we? Lindsey Clark?

MS. CLARK: Hello.

MS. ABERNATHY: You have three minutes.

MS. CLARK: Okay. Thank you. Well, thank you for the opportunity to provide public comment on topics for Negotiated Rulemaking. My name is Lindsay Clark, and I'm the Chief Borrower Advocate for SAVI. In this role, I serve, protect, and empower all borrowers towards better student debt outcomes. SAVI is an industry leader in student loan and education benefits that help people figure out their loan repayment and forgiveness options through its AI-driven platform and one on one expert support. We work through employers and membership organizations to provide our services as a benefit. Since our founding, SAVI has helped employees find 4.5 billion

in student loan savings, including through programs like PSLF, across 10,000 plus employers, member groups and associations, local and state Governments, and financial institutions. This combination, working with both the organization and borrower, allows SAVI to have a unique perspective in the student loan space as we interact with borrowers, employers, and student loan servicers on a daily basis. Years of student loan scams and shady practices by bad actors have made it seem, at times, like there were no good resources outside of the Department itself. Today, however, employers are increasingly playing a role as financial health sponsors to both do the right thing for their employees and to reap the related benefits, such as increased retention and productivity. As the new administration embarks on the Negotiated Rulemaking process covering topics including PSLF and IDR, we offer recommendations that are informed by the fact that borrowers will continue to face complex program rules, nuanced financial choices, and administrative burden. The Department should encourage the development of public-private partnerships that will help mitigate negative risks and capitalize on these opportunities, particularly third parties that work through employers. The Department should invest in APIs to make development of student loan navigation features

easier. Studentaid.gov is one of the few Federal websites at this scale that does not have a robust API option. APIs are what allow developers and third-party websites to innovate on top of the Federal platform, providing a smoother user experience and increased uptake and utilization of the Federal programs. The Department should also work to establish rules governing Federal student loan personal data access. A user permission approach has become the standard used by banks and financial applications in the banking, consumer finance, retirement, and investing worlds. It is a ubiquitous experience for customers to link their financial data with a third-party application by sharing their financial account credentials, which are then stored securely. Lastly, the Department should engage and encourage additional employer based - additional employer-based innovation. Employer adoption of student loan related benefits is fast growing and changing. There's a danger that some well-intentioned benefit programs will actually harm borrowers because of the difficulty of keeping track and complex changes. Finally, any entity that interfaces with borrowers, student loan servicers, and Government agencies, we believe it's important for borrowers' employers to be directly represented on the Negotiated Rulemaking committee. Thank you. Thanks.

MS. ABERNATHY: Samer Hassan?

MR. HASSAN: Hi. Can you hear me?

MS. ABERNATHY: Yes. Please remember to say your name and any affiliation, should you have one. Thank you.

MR. HASSAN: Okay. My name is Samer Hassan. Excuse me. My name is Samer Hassan, and I'm with Young Invincibles. I'm here to talk about PSLF and IDR plan, and why they not only need to be maintained but also expanded. My family fled violence and occupation in Palestine. We sought a new life in the United States and grew up with the notion that a college degree was a means to a better future. All my life, I was told that going to college would open up more opportunities for economic gain. Neither of my parents ever finished freshman year of high school, and I went on to graduate a student Government president of the Community Colleges of Chicago, then an Ivy League graduate of Columbia University, and after that, a class representative in master's degree, graduate of the University of Chicago Harris School of Public Policy. However, my accomplishments wouldn't have been possible without the aid of Federal student loans. But I wasn't worried because I knew I was serving my community. I knew that what I wanted to do was work with other people who were

determined to create a better life than the one they entered. I believed in my community, and I thought the Government would support me in supporting it. I was wrong. It was the availability of programs like financial aid and PSLF that assuaged my fears about entering these deeply unequal institutions in the first place, because they gave me a fighting chance, a chance to gain the knowledge needed to support my community while allowing me to survive while I was at school. At certain points during my higher education journey, I had three different jobs while attending school full time. This isn't a case about lazy students not knowing what they want to study, it's a case of systems change and setting up Government infrastructure to support students and their efforts to create a better America. I still needed to take out loans in addition to the three jobs I worked while in school. So far, while my education has opened up new opportunities, the debt that accompanied it is too burdensome. I have 125K in student debt, which hampers my ability to buy a home, and programs like PSLF and IDR allow me to set money aside to make those dreams a reality one day. Higher education is the most viable pathway to lifelong higher earnings. While my education has expanded my earning opportunities, the debt and inaccessibility of forgiveness or affordable repayment

options will continue to stifle my economic opportunities. Student debt forgiveness is a pathway to economic security and putting up unnecessary burdens not only harms borrowers but also this country's competitiveness around the world. This Government wants us to lead the world in innovation. How are we supposed to innovate with many of us just simply trying to survive? We must provide students with a pathway out of student debt because we need to invest in the future of this country. A country that promised a higher education degree would lead to economic security. The Department must not only protect the PSLF and IDR but also expand them. Thank you.

MS. ABERNATHY: Thank you for your comment. Donna Stelling-Gurnett. You have three minutes.

MS. STELLING-GURNETT: Three minutes?

MS. ABERNATHY: Yes.

MS. STELLING-GURNETT: Good morning. Thank you for the opportunity to testify today on behalf of the Association of Private Colleges. My name is Donna Stelling-Gurnett, and I am the president of APC. Our association represents 12 degree-granting, family-founded, and family led institutions that educate more than 22,000 students across New York State. On average, these institutions have served their community for over

90 years. They maintain strong ties to their local economies and industries are highly student-focused and consistently deliver strong student outcomes. While each APC institution is unique, they are united in their commitment to educational excellence, access, and affordability. Today, I'd like to focus my remarks on the Gainful Employment and Financial Value Transparency regulations. On October 10th and 2023, the US Department released its final GE and Financial Value Transparency rule. APC was dismayed to see that once again, the Department had moved forward with regulations that disproportionately targeted for-profit institutions under the guise of protecting students. We firmly believe that Gainful Employment regulations should apply equally to all sectors of higher education. Student debt burdens and weak graduation outcomes, particularly for minority and low-income students, are challenges that exist across the entire education system. Our clear, consistent policy guidance and strong enforcement across all sectors are the best way to improve outcomes and protect American taxpayers. When the Department released its proposed rules in May of 2023, it also published a database of program outcomes. APC's independent analysis uncovered two major concerns. Of the more than 150,000 programs listed, 82% lacked enough data to be evaluated under the

new metrics, raising serious questions about the reliability of the underlying data. As well, more than half, or 56%, of the programs that failed under the Department's own standards were from public and nonprofit institutions. Yet students at these institutions remain unprotected. APC has long supported strong fare regulations that protect students across public, private, nonprofit, and proprietary institutions. However, the current GE rule is fundamentally flawed. We respectfully urge the administration to reconsider and abandon it. The Financial Value Transparency regulation, by contrast, is a step in the right direction because FVT disclosures apply to all Title IV programs. They would provide students with clear, comparable debt to earnings data across the entire higher education landscape. APC recommends that the Department move forward with Financial Value Transparency disclosures based on debt to earnings rates, while ensuring an appropriate appeals process and reasonable transition period are included. Thank you for your time today and for the opportunity to share our perspectives. Thank you.

MS. ABERNATHY: Thank you.

MS. STELLING-GURNETT: You're welcome.

MS. ABERNATHY: Dr. Sara Partridge?

You have three minutes.

DR. PARTRIDGE: Thank you for the opportunity to speak here today. My name is Dr. Sara Partridge, and I am the associate director for higher education policy at the Center for American Progress, or CAP. CAP is an independent, nonpartisan policy institute which works towards building an affordable and high-quality postsecondary education system that promotes economic mobility, racial equity, and a strong democracy. In this rulemaking process, CAP urges the Department to honor its commitments to current and future student loan borrowers, to focus on the real and urgent problems borrowers are facing, and to take steps to improve the repayment system to ensure it works for everyone. About 3 in 10 or 12.5 million student loan borrowers are currently enrolled in an Income Driven Repayment or IDR plan. IDR Plans make it possible for student loan borrowers who cannot afford the standard monthly payments to pay based on income, allowing them to afford basic necessities such as food, rent, medical care, and child care. The first IDR Plan was established by bipartisan legislation over three decades ago. Since then, policymakers across the political spectrum have recognized the need for these types of plans. IDR Plans should be improved so they are easier to enroll and stay enrolled in, navigate, and more effectively prevent

borrowers from defaulting on their loans, making regulatory changes that would increase payments for borrowers, increase repayment timelines, or otherwise increase the burden on borrowers would further squeeze everyday people who are already struggling. In addition, we believe that future borrowers deserve the same opportunities to repay their loans through public service that previous generations of borrowers had. We urge the Department to take steps to simplify the process of qualifying for PSLF, and we strongly oppose any limitations on eligibility, particularly if they serve a political agenda. Together, these programs put postsecondary education within reach for students from all backgrounds and help bolster the nation's workforce of teachers, nurses, police officers, social workers, and military service members. PSLF and IDR should be strengthened through improved oversight, modernized technical systems, and borrower-focused policies that put the well-being of students and those repaying their student loans first. To accomplish this, the Department requires, at a bare minimum, adequate staffing. The recent elimination of fully half of Department staff, including nonpolitical career staff with deep technical expertise and a commitment to education, is a deep disservice to the nearly 50 million P-12 students, 15

million postsecondary students, and 43 million student loan borrowers who rely on Department services.

Therefore, we urge you to reinstate the staff who conduct critical operational and oversight activities to ensure that the Federal financial aid system functions and to provide the educational services that students and families across the country rely on. Thank you.

MS. ABERNATHY: Thank you. Graham Walcott. Test that microphone.

MR. WALCOTT: Can you hear me? Morning. Okay.

MS. ABERNATHY: You have three minutes.

MR. WALCOTT: Good morning and thank you for the opportunity to speak today. My name is Graham Walcott, and I'll be your pilot for this short flight.

MS. ABERNATHY: Excuse me, Graham, could you speak a little louder? Get closer to the microphone for us.

MR. WALCOTT: You got me.

MS. ABERNATHY: And we'll restart your three minutes, if we may.

MR. WALCOTT: Okay.

MS. ABERNATHY: Ready?

MR. WALCOTT: Yeah.

MS. ABERNATHY: Yeah. Thank you.

MR. WALCOTT: So, my name is Graham Walcott, and I come before you as a concerned citizen and not just as a borrower, but as a caregiver, a public servant of someone caught in a storm of student debt. At university, I earned my degree in aeronautics and my private pilot wings. I thought I would fly, but student debt kept me chained. So, I stayed close to my dream and found work as a dispatcher. That includes my current role as a flight coordinator for Guardian Flight, the GMR solution. As you can see, I'm very proud of my work. We coordinate missions with hospitals, fire Departments, state agencies, and law enforcement across the nation. When a child is airlifted, when a stroke or accident victim needs rapid transport, even when disaster hits, we are part of the team behind a life saved. Yet our work doesn't count towards PSLF. The efforts of my fellow dispatchers, operators, pilots, nurses, and paramedics all because we are employed by a private corporation. Meanwhile, our partners in Government, public hospitals, and nonprofits remain eligible for the same mission, same outcome, unequal treatment. That's one contradiction I urge you to fix. And I'm not speaking in policy terms. I'm speaking from personal crisis. I've been working full time for many years, and I find myself on the brink of

collapse. My family is caring for my father, who's fighting cancer, and we're trying to hold on to our home of 32 years. I've paid tens of thousands of dollars into student loans and Federal student loans, and due to hardship, interest, and compounding, my balance has only grown, and my debt-to-income ratio disqualifies me from homeownership, and my loan servicer providers refuse to settle even as we experienced a hardship. I'm told we do not settle. I don't qualify for PSLF. I don't qualify for relief, even in bankruptcy. And so, the weight grows, and the chains tighten, and we cannot fly. No, no, no, today I say help loosen these chains and emancipate us from this financial slavery. Public Service Loan Forgiveness must include EMS aviation professionals, those who work alongside Government, delivering the same public service but left behind by rigid eligibility rules. IDR must be fixed so that borrowers can actually see their balances shrink and not income - and not balloon from interest. When they're financially crushed must have a path forward. Settlements even after bankruptcy must become regulation, not just guidance. I'm a small representation of thousands of aviation professionals who do lifesaving work, yet we're viewed as private sector and Federal policy. We're not private sector. We are public safety, first responders. PSLF is not a handout. It is a second

chance through service. This debt erodes mental health, (inaudible) families. Education was supposed to lift us instead it's become the great anchor. So, I encourage you and those with the power on Capitol Hill, emancipate us - emancipate those we work with every day. Help us to live free and to fly. Thank you for taking some time with me today and thank you all for choosing the American Dream.

MS. ABERNATHY: Thank you for your comment. Clare McCann?

MS. MCCANN: Thank you.

MS. ABERNATHY: You have three minutes.

MS. MCCANN: Thank you. My name is Clare McCann. I'm the managing director of policy and operations with the Postsecondary Education and Economics Research Center. The PEER Center generates actionable research to drive policy improvements in postsecondary education. And we are pleased to provide comments today on the importance of the Financial Value Transparency rules in improving program integrity and institutional quality. The Financial Value Transparency rules, currently in effect and for which implementation is already underway, will provide unprecedented new information to students, institutions, and policymakers about the return on investment of postsecondary

education. The goals of FVT are consistent with the ideals of policymakers across party lines. Rich, robust data about the costs students pay to complete a program, the debt that borrowers take on, and the payoff of programs in which students enroll. Those are the kinds of data that schools will report under the rules, and the Department will help to communicate to students directly. Those are necessary for a well-functioning market that will constrain college costs and improve the value of college credentials. Policymakers have indicated their desire for this information as well. Legislation proposed by the chair of the Senate Education Committee would create an earnings test, much like the one in the Financial Value Transparency rules. And later this morning, members of the House of Representatives will mark up proposed legislation that relies on reporting about college prices and post-graduation earnings similar to that in the FVT rules. So, to support increased transparency in higher education, we have two specific recommendations for the Department. First, we urge the Department to maintain the data reporting and metrics under the Financial Value Transparency rules without eliminating any of the required reporting elements to provide the robust information that students and their families need to make informed decisions in going to

college. And second, we urge the Department to ensure these data get into the hands of students directly. The regulations require the Department to maintain a website, ideally informed by consumer testing, to house the cost, earnings, and other information I mentioned. And to ensure that prospective and current students have that website in hand to inform their choices of programs and colleges, as well as to decide how best to finance their education. These steps should be undertaken with urgency and focus, and the Financial Value Transparency rules must continue to be implemented without further delay.

MS. ABERNATHY: 20 seconds.

MS. MCCANN: As the Department embarks on a rulemaking process and continues to implement the FVT regulations, the PEER Center looks forward to continuing to provide research and policy insights that will help inform an efficient, accountable higher education system that supports strong outcomes for students. We appreciate this opportunity to comment today. Thank you.

MS. ABERNATHY: Thank you for your comment. Sabrina (inaudible)? Emeka Oguh? I'm so sorry. Please correct me.

MR. OGUH: Emeka Oguh.

MS. ABERNATHY: Thank you. You have

three minutes.

MR. OGUH: Thank you. Good morning, James, Tamy, and Sue. My name is Emeka Oguh, CEO of PeopleJoy. We help employers address workforce shortages through student loan repayment assistance and Public Service Loan Forgiveness guidance for their employees. Today, I'd like to discuss Public Service Loan Forgiveness, Pay As You Earn, the Income Contingent Repayment Plan, and how changes to these programs could impact taxpayers. PSLF was created to strengthen public institutions, attract civic-minded talent, and provide targeted debt relief. Expanding eligibility has helped fill critical workforce gaps in healthcare, education, and social work. However, narrowing the definition of qualifying employers and eliminating pay in ICR would reduce the number of civil servants eligible for PSLF, creating real risk for taxpayers. (inaudible) healthcare. The US faces a projected shortfall of 86,000 physicians and 336,000 registered nurses by 2036. Already, 86% of VA facilities report shortages. Staffing gaps drive up health care costs for taxpayers through longer wait times, costlier treatments, and reliance on expensive, temporary staff. Our research shows health care professionals enrolled in PSLF are significantly more likely to stay in their roles. Second, K-12 education.

Over 400,000 teaching positions are vacant or uncertified. Charter schools are often more cost effective for taxpayers, rely on PSLF to retain teachers. Eliminating ICR would disqualify many, including a nonprofit charter schoolteacher that we work with who holds nearly \$1 million in Parent Plus Loans, only forgivable through the ICR Plan. Clergy. Clergy and religious workers now PSLF eligible, provide essential services that reduce reliance on taxpayer funded programs like public mental health clinics and emergency housing. Preserving multiple IDR Plans and current public service definitions will help avoid billions in additional taxpayer spending across healthcare, education, and public services. Now, for borrowers outside civic service, we recommend extending and increasing employer sponsored loan repayment limits under section 127, shifting more loan forgiveness to the private sector. Thank you for your time and consideration today. Let's strengthen our promise to public servants and protect taxpayers by investing in solutions that work. Thank you.

MS. ABERNATHY: Thank you for your comment. (inaudible)? Rebecca Stanley? Good morning. You have three minutes.

MS. STANLEY: Good morning. Thank you for your time today and for your dedication to improving

our student loan system. My name is Rebecca Stanley. I'm the accountant and the student loan advisor for the 15th Judicial Circuit, that's in Conway, South Carolina. I am representing PSLF borrowers in the nonprofit and in the Government sector. Today, I want to speak briefly about four key areas. Public Service Loan Forgiveness, the Pay As You Earn, and the Income Contingent Repayment Plan, and the need to streamline our Federal student loan system. First off, PSLF. I learned about this program firsthand when my own children, who are now both public servants, graduated with significant student loan debt. Debt that we could not afford to help pay for them. PSLF had a 99% failure rate at that time, and I had to research it myself, because much of the information that we got from Studentaid.gov and from their loan servicers was incorrect on how they needed to qualify for this program. Because of that research, I'm now able to guide hundreds of nonprofit and Government borrowers through this complicated process. This program doesn't just impact our office; it impacts our state as well. Our South Carolina Solicitor's office has over 169 lawyers and 104 non-attorney staff that are now enrolled in the Public Service Loan Forgiveness Program, and this program is a valuable tool to retain and recruit public service professionals. Secondly, Pay As You Earn and Income

Contingent Repayment Plan, PSLF program, and the IBR forgiveness program. They both depend on affordable, Income Driven Repayment Plans. Without those plans, you do not qualify for that forgiveness. At that time when those plans were created, the average student loan debt was 20 to \$60,000. Today, even in our office alone, the average debt is 100 to \$300,000. It does not compare as the Department considers replacing the SAVE Plan. I support the shift, but only if the formula for calculating discretionary income is revised. The original Pay As You Earn and Income Contingent Repayment formulas no longer reflect today's financial pressures. Without adjustment, borrowers will struggle to make payments, risking higher default rates. Lastly, streamlining the system. Right now, due to SAVE litigation, consolidation and IDR applications are stalled on Studentaid.gov. This is creating a huge backlog. Many of the people that I counsel are stuck in a forced forbearance. Many have high payments they cannot afford and are unable to earn forgiveness right now. Announcing an aggressive collection of those in default is not only going to cause additional backlog, but it defeats the purpose of an improved, streamlined process. I agree with collecting on defaulted loans, but to do so now will worsen the process and will also harm borrowers who are now in good

standing. This administration has a real opportunity by revising Pay As You Earn, reforming Income Contingent Repayment Plans, and simplifying the forgiveness process, you can offer real, timely relief. Thank you.

MS. ABERNATHY: Thank you for your comment. Josef Ayala? Clinton Durham?

MR. DURHAM: Good morning.

MS. ABERNATHY: You have three minutes.

MR. DURHAM: My name is Clinton Durham. I am representing myself as a student.

MS. ABERNATHY: (inaudible) I'm so sorry. Are we ready? Now you have three minutes.

MR. DURHAM: My name's Clinton Durham. I'm representing myself as a student loan borrower who was struggling. I understand that changes are inevitable. We encounter them in all aspects of our life. But those changes should never cause the inability to provide basic necessities for our families, student loan borrowers, and all individuals who went to a higher education institution with the sole purpose to advance their career opportunities to provide a better life for their family. Yet now, with these changes, SAVE programs saved me. I work with the Department of Commerce in North Carolina. That gave me a chance to have those months count toward

Public Service Loan Forgiveness when that went away. I'm in limbo. These months that I've been waiting for something to happen that I can afford, I've lost those. How do I get that time back? I've been working in the same job for nearly ten years. I should be getting close to my Public Service Loan Forgiveness to go away. I'm still looking at \$150,000 in student loan debt because I went to graduate school eight years after undergrad, because I had children, and I was looking for a better opportunity for them to advance down their- in their future. My wife, who is here with me, would love to be able to work. She has chronic diseases that inhibit her from having a normal ability to hold a job. She does what she can, and we struggle every month. It shouldn't be that hard when I've worked and I've done as well as I have in my career. But yet when I log on to my account, I still see that giant number. I will not ever own a home, and I know that. And that's okay, because I've given my sons, who are now in college, the ability to have not been fearful of my financial burdens because I didn't share that with them. Make sure that when you reevaluate these (inaudible seconds) repayment programs that you consider the people like me, because there's not just me, there's millions of (inaudible) that need your help and support. Don't forget us because we're working hard to

pay these off. We're not lazy. If- that is not what this is about, don't forget us.

MS. ABERNATHY: Thank you for your comment. Charlie Smith?

MR. SMITH: Good morning.

MS. ABERNATHY: Can you adjust that mic up?

MR. SMITH: Sure can. A little taller than the past speaker, I guess. Yeah.

MS. ABERNATHY: Just a little bit. We'd like to hear you.

MR. SMITH: All right. Can you hear me?

MS. ABERNATHY: Yes, sir.

MR. SMITH: Wonderful.

MS. ABERNATHY: You have three minutes.

MR. SMITH: Thank you so much. Good morning and thank you for the opportunity to speak to you all today, and for you to listen to all of us speakers. My name is Charlie Smith, and I'm the elected state's attorney in Frederick County, Maryland. I've been elected up there since 2007 and have seen numerous prosecutors benefit from the Public Service Loan Forgiveness Program. I'm also proud to serve as the chair of the board of the

National District Attorneys Association, which represents about 6,000 prosecutors nationwide across the country who are truly dedicated to upholding the rule of law. So, I'm here today, of course, to express our strong support for the Public Service Loan Forgiveness and the Income Driven Repayment Programs. These aren't simply about financial relief. They really are essential to protecting public safety. These programs help ensure that experienced, committed prosecutors can continue to serve their communities without being driven out of public service by financial strain. So let me be clear. PSLF and the IDRs are not the same as large-scale loan forgiveness or cancelation programs. They are not the same. Rather, these are programs that are conditional, long-term commitments by prosecutors in the public service sector. Prosecutors that qualify for loan forgiveness must serve ten years in their offices and make 120 on-time payments to qualify. So PSLF represents a simple yet powerful promise to these people. If you serve your community for the public good, often at personal and financial costs, your community will support you in return. So, across the country, prosecutors' offices are facing an unprecedented retention crisis. There are vacancies in the majority of offices across the United States. Standing vacancies. We cannot get prosecutors in our offices. In rural areas,

some of these offices have just one or two attorneys handling hundreds of serious cases. Prosecutors are walking away. They really are. And not because they lost their passion, but because they can no longer afford to stay in public service. Their loans are just too great. This means that fewer cases are filed, longer delays, and in some communities, crimes are going unprosecuted entirely. So, without programs like PSLF and IDRs, these trends will simply accelerate. And let's be honest, even the best police investigation means nothing (30 seconds) without a prosecutor to bring the case to court. So, we're not just talking about paperwork delays, we're talking about real public safety risks. Fewer prosecutions for fentanyl trafficking, backlogs in violent crime, victims left waiting for justice. So, these are essential to keeping skilled attorneys in place and prosecutors serving because they believe in justice. The belief can only be carried on so far when weighed down by debt. So, I urge this body to protect and preserve these two critical programs, not just for the benefit of prosecutors, but for the benefit of public safety and the stability of our communities. So, let's invest in those who protect the rule of law and so they can continue to invest in us. And thank you for your time today.

MS. ABERNATHY: Thank you for your comment.

MR. SMITH: You're very welcome.

MS. ABERNATHY: Ashley Harrington? Linh Taylor? Good morning.

DR. TAYLOR: Morning.

MS. ABERNATHY: (inaudible) three minutes.

DR. TAYLOR: I am Dr. Linh Taylor. I am here today representing the American College of Physicians, the largest medical specialty organizations, and the second largest physician membership society in the United States. ACP members include 161,000 internal medicine physicians, related subspecialists, and medical students. I am a second-year internal medicine resident in Portland, Oregon, and I am here today to urge that PSLF must remain an option for current and future physicians for the following two reasons. One, PSLF is the way to incentivize physicians to practice primary care, including internal medicine, a specialty that historically pays less than others. The US is already facing a primary care physician shortage, expected 80,000 primary care physicians by 2037. Eliminating one of the few ways to incentivize physicians to go into primary care will only add to the burden that shortage will cause

to the nation's healthcare system. Two, PSLF and Income Driven Repayment Plan is the only way resident doctors can afford payment during training. For context, all doctors in the United States must go through residency training after finishing medical school. In internal medicine, that can range between 3 and 7 years. And the average resident salary is only about \$66,000 in 2024. Without Income Driven Repayment Plan, many of us couldn't afford to make our loan payments during residency. An average loan of \$300,000 by the time we finish medical school with interest incurring the moment we take out the loan. I have seen many of my peers struggle to balance loans with the cost of housing, childcare, and other expenses. I, myself included, am a mother of one child. It is also vitally important that participation in this loan program is not subjected to political (inaudible) test, which would significantly deepen our nation's health workforce issues. I want to thank you for the chance to provide testimony today. We need to preserve the vital Public Service Loan Forgiveness Program and Income Driven Repayment Plans to help us support our nation's future health workforce, specifically primary care workforce. Please also consider including an internal medicine physician on the Negotiated Rulemaking committee to ensure that this important perspective is

represented. I thank you for your time.

MS. ABERNATHY: Thank you for your comment. Amanda Collman? Amanda, let's make sure that mic's at the right level for you.

MS. COLLMAN: I appreciate that. Thank you.

MS. ABERNATHY: Is that the right level? You can test it one more time.

MS. COLLMAN: Test? Okay.

MS. ABERNATHY: You have three minutes.

MS. COLLMAN: Thank you. My name is Amanda Collman, and I'm commenting on behalf of Adtalem Global Education, which is the leading provider of healthcare education in the US, shaping the future of healthcare by providing a practice-ready workforce with high-quality academic programs at our five institutions. Thank you for the opportunity to comment at this hearing. Our comment pertains to potential topics that would streamline current Federal student financial aid program regulations, one of which is financial responsibility. We believe that updating the composite score will provide the Department with a more effective tool to predict school closures, protect students and the American taxpayer, and curtail delays to students entering

industries and geographies with critical workforce shortages. As a brief overview, to participate in Title IV student aid programs, institutions must demonstrate they're financially responsible. The Department established the composite score in 1997 to help evaluate institutions' financial responsibility, and the formula has remained largely unchanged despite the GAO recommending it be updated. The composite score is significant because the Department uses it as a basis for requiring additional oversight and financial assurances from institutions, and also to limit, suspend, or terminate those institutions' participation in the Federal Student Aid program. In addition, an increasing number of states are relying on the Federal score, despite its flaws, as a bright line measure of financial health. Over the years, the composite score has become increasingly critiqued as antiquated and a poor predictor of school closures. In fact, the GAO found the composite score only predicted half of school closures in a six-year period. One shortcoming is the score unfairly penalizes education institutions that specialize in distance education, particularly if they're subject to acquisition. This is because under the current regulation, the underlying ratios exclude intangible assets such as goodwill and copyrights and trademarks.

This negative treatment could create a score below the cutoff for financially responsible. Despite the fact the school is financially stable with significant financial reserves, the calculation should be modernized at this time by adding intangible assets to the components of the financial ratios, and this can be done by simply revising the regulation to eliminate the intangible asset exclusion. By modernizing the composite score formula, the Department would be aligning with today's higher education environment, which is continuously innovating and employing new digital learning methods. The Department would also be streamlining its regulatory processes to eliminate some of the unnecessary obstacles to innovation. These obstacles unnecessarily hinder institutions from educating students for today's workforce, and are often ineffective in accomplishing their goal, which is the prevention of school closures. In summary, we're asking the Department to modernize the score to better protect students while allowing financially stable, successful institutions that specialize in higher education and distance education to innovate to address significant workforce shortages. Thank you.

MS. ABERNATHY: Thank you for your comment. Josef Ayala? Can you make sure that mic is

adjusted up a little bit so we can hear you? You just turn the mic part up. Yeah.

MR. AYALA: (inaudible)

MS. ABERNATHY: Okay. You have three minutes.

MR. AYALA: Yes. Thank you. Good morning. And thank you for this opportunity to speak. My name is Josef Javier Ayala, and I'm, you know, here to speak for myself. But really, on behalf of a lot of other student loan borrowers who, you know, put faith in the system and promise- under the promise of fairness and, and honor and, and are still waiting forgiveness. I completed over ten years of public service, making payments in good faith, under the clear understanding that this commitment would lead to loan forgiveness. Yet today, after doing what was asked of me and many others in the same, I feel trapped by loan servicer manipulation, bureaucratic neglect, and shifting standards. Servicers, I feel like weaponize confusion, causing borrowers precious years of their lives and thousands of dollars they can never get back. Public servants do not make these sacrifices because we love debt. They do it because they believe in public service, professional growth, and giving back to their community. And the promises made by our Government to allow these

promises to be broken now is not just unfair, it's immoral. The so-called reforms that have been proposed do nothing to correct this injustice. Instead, they double down on the damage, raising payments while wages stay stagnant, offering no real lifetime to- lifeline to the very workers who keep this country running. What message are we sending to the future students? That education is a trap? That hard work and service lead to betrayal, not opportunity? So, I ask you directly, will the Department honor its commitments? Finally release the borrowers who play by these rules to continue treating human lives as numbers in a ledger, prioritizing portfolio growth over public trust. I might be out of line. Borrowers are not seeking charity. We are demanding the respect we're promised, the respect that should come from fulfilling our obligations and expecting the same from our Government. Future generations deserve better. They deserve a higher education system that is clear, affordable, and just, one where institutions are held responsible for their promises. One where Borrower Defense protections are real, not theoretical. One where hard work and school actually builds a life worth living and not a lifetime of financial struggle. If we fail to correct the mistakes of the past, we may very well destroy the future of higher education in this country.

We would only have ourselves to blame. Thank you for your time and for your responsibility to do better for those who trust in you. Thank you.

MS. ABERNATHY: Thank you for your comment. Olivia Sawyer?

MS. SAWYER: Can you hear me?

MS. ABERNATHY: Yes.

MS. SAWYER: Okay, perfect.

MS. ABERNATHY: You have three minutes.

MS. SAWYER: My name is Olivia Sawyer, and I'm a program associate with the higher education team at New America, a nonpartisan think tank. Thank you for the opportunity to comment today. My comments will focus on ensuring borrowers have easy access to affordable repayment plans, protection against default, and maintaining institutional integrity through the Gainful Employment and Financial Value Transparency regulations. As of September 2024, almost 43 million people have held Federal Student Loans. Among those with federally managed loans and repayment, more than 13 million were enrolled in an Income Driven plan. Income Driven Repayment Plans, including Income Contingent and Pay as You Earn, provide an affordable alternative from standard repayment options. It's critical these

alternatives are maintained and enrollment expanded to those most in need. Currently, many vulnerable borrowers are not accessing these plans. In addition to allowing borrowers to opt in to using their (inaudible) info to enroll and recertify for IDR plans, the Department should allow, with borrower permission, delinquent borrowers to be automatically enrolled in IDR plans. This would simplify and streamline the system for borrowers, servicers, and the Department and prevent unnecessary defaults. It has bipartisan support via Republican introduced bill and regulations from the previous administration. Now, I'd like to discuss the importance of maintaining the financial value transparency, and gainful employment regulations. You will likely hear from institutions today who will say that gainful employment and Financial Value Transparency regulations are too burdensome. But the reality is, if you want to address runaway debt and cost and hold institutions accountable for poor outcomes, these regulations will accomplish just that. Gainful employment will protect students enrolled at private, for-profit institutions and in certificate programs from bad jobs by ensuring these programs prepare students for gainful employment after completing. The financial value transparency would require institutions to report the price of attendance, non-federal aid, and

typical borrowing amounts to the Department, informing students, family, and the Department which institutions provide a high return on investment. Both Republicans and Democrats agree that colleges should be held accountable for unaffordable debt that students cannot repay. Work from the American Enterprise Institute recognized the importance of FVT and called for not only strengthening the regulation, but also for further strengthening- or for not only maintaining the regulation, but for further strengthening it. By enforcing costs and job market transparency and accountability, GE and FVT could lead students and families to more informed decision making, responsible borrowing, repayment of student loans, and overall better utilization of taxpayer dollars. Since many students continue to have to take out loans to access higher education, it's critical the Department ensure that repayment system is affordable, accessible, and borrower-centered, while also holding institutions accountable for cost and job market outcomes. Thank you for the opportunity to provide comments.

MS. ABERNATHY: Thank you for your comment. Harini Shah? Can you turn that- ?

DR. SHAH: Can you hear me?

MS. ABERNATHY: Yes. Three minutes.

DR. SHAH: Thank you. Thank you for

the opportunity to provide comments at today's public hearing. My name is Dr. Harini Shah, and I'm an internal medicine resident at UCLA Health in California. I'm also a proud member of the American College of Physicians, similar to my colleague previously. My co-residents and I graduated from medical school in 2024 with over \$250,000 in federal student debt, debt we took on because we believed in the promise of the Public Service Loan Forgiveness Program. Like many new physicians, we fully intended to enter an Income Driven Repayment Plan and begin making qualifying payments towards PSLF from our first month as interns. But because the SAVE program was blocked just as we graduated, we have been legally unable to enroll in IDR. Unable to make qualifying payments despite working full-time at a nonprofit hospital. Through no fault of our own, nearly a full year of service towards PSLF is at risk of being lost. Every month, we show up for 80-hour work weeks at the hospital, managing ICU patients, responding to codes, and providing critical care while earning about \$4,400 a month after taxes. After rent, groceries, health insurance, transportation, and basic bills, there's little to nothing left over. Under current policies, our option to make up for the lost PSLF funds would be to retroactively pay off months that we could not have paid during the

injunction, an option that is honestly unrealistic for residents who are living paycheck to paycheck, like myself. Even more frustrating, the process to regain credit depends on navigating complex waivers and account adjustments, creating another layer of confusion for us and a burden on new graduates who are already stretched thin. We have literally done everything right; committed to public service, accepted the financial risk of medical education, and continue to show up for our patients every single day. Yet we are still falling behind because the system has no solution for those of us caught in the timing of the SAVE injunction. I respectfully urge the Department to take two critical actions. First, automatically count months during the SAVE injunction towards PSLF for borrowers otherwise meeting qualifying employment requirements without requiring retroactive lump sum payments. Second, please eliminate unnecessary barriers that force residents and new graduates to navigate complex buyback or waiver processes for credit. PSLF eligibility should honestly not depend on navigating red tape during a once-in-a-generation disruption. I and many of my colleagues would also welcome any opportunity to work with the Department and provide input as you design practical, borrower-centered solutions to these urgent challenges. Thank you again for the opportunity to

testify.

MS. ABERNATHY: Thank you for your comment. Christine Kieta?

MS. KIETA: Good morning.

MS. ABERNATHY: Can you lift that mic up just a little bit? Just tilt it up a little.

MS. KIETA: Is this better?

MS. ABERNATHY: Yes.

MS. KIETA: Okay. As an initial matter, I submitted my comments about a week ago to the public website. And they've not been submitted- they've not been approved. I have three additional copies, and I would like to know if I can tender them to you, which has my tracking number and everything on it.

MS. ABERNATHY: You can, and we'll confirm- I'll have somebody confirm that the- just a second. If I could get somebody to come up and take this-

MS. KIETA: Thank you.

MS. ABERNATHY: -and review it. You have three minutes.

MS. KIETA: Thank you. My name is Christine Kieta. I'm a private attorney in the suburbs of Chicago, and I am here in my private capacity. I do have student loans, and I see student loans that affect people in their personal lives as well as their professional

lives. My question, though, is, does the structure of Title IV actually disincentivize colleges from competitively price- pricing their tuition and cause federally backed student loans to operate like subprime mortgages? The National Center for Education Statistics, which publishes information colleges have to provide to the Department of Education pursuant to Title IV, indicates that as of the 2022-2023 school year, 85% of first-time full-time students received financial aid. By way of example, Thomas M. Cooley Law School for fiscal year 2023 collected 80% of its tuition from student- 80% of its revenue from tuition. John Marshall Law School collected 99% of its revenue from tuition. Under Title IV, colleges have to generate 10% of their revenue from sources other than federal funds to stay eligible for federally-funded student loans. If students are largely borrowing from the Federal Government to fund the tuition, which can make up to 90% of the revenue, then the national cap on tuition seems to be how much the Department will permit per student. Stated differently, are colleges really incentivized to support their operation with sources of revenue other than tuition? As it relates to the 85% of student loan- 85% of students- as it relates to the loans that 85% of students are incurring, colleges have to provide potential student

loan borrowers with financial assistance information, which includes a, quote, sample repayment schedule for sample loans. That's it. A similar lending pattern was for subprime mortgages, leading to the financial collapse of 2008. Those borrowers had low creditworthiness and most notably, little to no income verification. Those borrowers and their lenders did not have to examine first if the borrower ever could repay the loan. Within the focus of- focused context of complying with the requirements of Title IV to determine if it has any impact on the cost of tuition, how does providing a sample loan repayment schedule for sample loans use resources so massive that a college has no alternative but to offset the costs through increased tuition? Is this sample loan requirement so thin that these loans lead to borrowing decisions that operate off of an inexperienced, inexperienced borrower? And if these colleges are really just taxpayer-funded entities, but for 10% of their revenue, should they really be relieved of the requirement to Title IV which tells us what they're doing with Government money? And would reducing the amount that the Department provides per borrower encourage these colleges to develop other sources of revenue, which would reduce their reliance on taxpayer-funded loans? If college- if colleges can find- can

colleges find other ways to fund their operations, thereby voluntarily relieving themselves of the requirements of Title IV? Or are taxpayer-funded loans with zero risk of loss simply too lucrative? Thank you.

MS. ABERNATHY: Thank you for your comment. Christine, if you'll see Margo. Would you raise your hand, Margo? Over there around the, the- yep. Thank you. Tracey Schnieder. Good morning.

MS. SCHNIEDER: Can you hear me?

MS. ABERNATHY: Lift it up just a little bit more. There you go. It should work (inaudible)

MS. SCHNIEDER: Better?

MS. ABERNATHY: Yes. Okay. You have three minutes.

MS. SCHNIEDER: I'm Tracey Schnieder, on behalf of the Middle States Commission on Higher Education. I'm pleased to share these comments with the Department for Negotiated Rulemaking Committees to develop proposed regulations. As you are aware, our agency is a voluntary, non-governmental institutional accreditor that has been recognized by the United States Secretary of Education since 1952. As a member of the regulatory triad, the Commission remains a partner in efforts at strengthening institutional accountability and consumer protection. We currently accredit over 500

institutions of higher education. Any reconsideration of program integrity rules must include careful attention to how the regulations will be enforced, with as much clarity provided around implementation. It is where we've seen the most significant impacts and barriers to innovation due to regulatory burdens that become more so once implemented. The first area I want to address is a change in ownership or control related to 34 CFR 600.31. We have experienced an increasing number of transactions involving changes in ownership and institutions of higher education. The Department issued guidance in September 2022, initiating a new two-step process for certain changes in ownership transaction. The process has proven to be burdensome and inefficient. Institutions sit in limbo, often for more than two years, not because of the accreditor, but because of the lengthy Department process. We are interested in ensuring our institutions can enter into transactions that support institutional strategy and mission, unencumbered by complicated regulatory requirements. Because the requirements related to changes in ownership are of significant interest to all members of the regulatory triad, it's essential that institutional accreditors and state agencies be included in these negotiations. The second area pertains to 34 CFR 668.21 and .22, where we generally support a streamlined

and efficient process for the return of Title IV funds. We believe our institutions would benefit from clarity in these processes. Our commission as a Title IV gatekeeper is required to ensure that institutions meet all Title IV regulatory requirements. If processes are unclear, institutions are unable to ensure compliance and our role as a member of the regulatory triad becomes challenging. These regulations were part of the last Negotiated Rulemaking session, but no proposals were adopted. We recommend they be revisited. With regard to 34 CFR 602, we support continued refinement of the regulations impacting accreditors. Recently, we were notified of a focused review process that directed accreditors to focus on certain requirements, presumably the ones the Department feels most critical. We support this refined process to gain efficiencies and focus on critical areas of review. We look forward to the Negotiated Rulemaking process where some of these efficiencies could be incorporated into the regulations, while other, less significant regulations are removed. Additionally, we encourage exploration of incorporating regulatory processes that welcome new accreditors while holding us all consistently to the same standards and focused regulatory requirements. I thank you for your time today.

MS. ABERNATHY: Thank you for your

comment. At this time we are going to take a break. We will resume at 10:45. Welcome back, friends. Joining us at the table now is Jeff Andre. And I'm going to get it right (inaudible) yesterday, so forgive me. Andre is the new Deputy Assistant Secretary for Policy and Innovation in the Office of Secondary Education. He comes to the administration with 40 years of experience in Federal education and workforce development policy, in both the public and private sector. From his initial start as a student advocate for improvements in the Higher Education Act, Jeff has worked at the Department as a career civil servant, working his way up from entry-level policy analyst to senior budget analyst, responsible for student financial assistance. On Capitol Hill, the Senior Republican staffer on the House Education and Workforce Committee, successfully reauthorizing the Higher Education Act, Workforce Investment Act and other important legislation to assist people with disabilities. He also drafted landmark legislation which created the Federal Government's first performance-based organization, the United States Department's very own Federal Student Aid office. In addition to having served previously as Deputy Assistant Secretary, he has also served in other Federal executive roles, including director of the fund for the Improvement of Postsecondary

Education, Special Assistant to the Deputy Secretary of Education, and Associate Administrator for Entrepreneurial Development at the US Small Business Administration, where he managed programs that provide training and business counseling for over 2.4 million small business clients. More recently, Jeff has worked in the private sector as an outside consultant and an in-house- and in-house roles with schools, colleges, and universities in all sectors, lenders, as well as other corporate and nonprofit clients. A first-generation American originally from New Bedford, Massachusetts, Jeff was the first in his family to graduate from college with the help of Pell Grants, Federal loans, campus-based aid, and institutional scholarship. He holds a bachelor's degree with honors in political science from the American University in Washington, D.C., and resides in Anne Arundel County, Maryland with his wife, Kathy, and 11-year-old son. (inaudible). Heather Perfetti? Lift the mic up just a little bit for me. Just tilt it up. There you go. Heather, you have three minutes. Thank you.

DR. PERFETTI: My name is Dr. Heather Perfetti, and I currently serve as President of the Middle States Commission on Higher Education and as chair of the council of Regional Accrediting Commissions, also known as C-RAC. I am here today on behalf of C-RAC to

discuss the Department's intent to establish Negotiated Rulemaking. We look forward to being part of discussions which examine how current regulations may be inhibiting innovation and contributing to rising college costs. C-RAC has always offered ways to address these and other issues by streamlining or eliminating unnecessary regulatory processes that are not otherwise required by law. Institutions and accreditors would benefit from reduced regulatory burden in some areas to both allow for more innovation while also addressing issues of cost. We want to draw attention to several specific areas as examples. First, the recognition and renewal process of accreditors. Aspects of current regulations could be streamlined to facilitate the recognition of new accreditors, while holding all accreditors to the same standards and expectations. Reviewing the current process of renewal could also result in a more streamlined and efficient system. Second, the process for institutions changing accreditors. The Higher Education Act has for decades allowed institutions to move from one accreditor to another. However, recent regulations as well as sub-regulatory guidance have led to confusion and at times, lengthy delays in the process. Reviewing existing policies and actions can help better streamline this process. Third, reexamining definitions. Definitions of

distance education, competency-based education, and credit hours should be reexamined to determine the extent to which current regulations inhibit innovation in any of these areas. Fourth, providing increased flexibility regarding substantive change. Current regulations require accreditors to approve a wide variety of actions considered substantive changes. Accreditors should be provided more flexibility to determine when such approvals are actually needed to prevent unnecessary and costly reviews. As in past Negotiated Rulemaking efforts, C-RAC welcomes the opportunity to participate in a full review of current regulations to ensure consistency with the Higher Education Act. We appreciate the opportunity to share our input and help the Department drive quality, ensure accountability, and protect students through Federal policy. We look forward to working with the Department to address these and other issues, and I thank you for the opportunity to be here today.

MS. ABERNATHY: Thank you for your comment. Rachel Dubreuil? I'm sorry if I massacred your name. Please correct me. You have three minutes.

MS. DUBREUIL: Thank you. Good morning. My name is Rachel Dubreuil and I'm a social studies teacher from the Connecticut Technical High School system and a proud SVFT union member. I also carry

roughly \$88,000 in Federal Student Loan debt. Back in 2010, while working at Fitchburg State University, I started tracking my qualifying payments toward PSLF. This was before my loan servicer even acknowledged that PSLF existed. I was quietly doing the work, trusting in the promise our Government had made me. Never would I have imagined that 15 years later, I'd be here fighting for the survival of these programs. And the truth is, programs like PSLF and IDR are more than policies. They're lifelines for millions of Americans, including me. I don't use the word lifeline lightly. These programs really are the difference between financially surviving and drowning. It's because of PSLF and IDR that I was able to return to school to get my Masters of Arts in teaching to become a teacher. I made that choice because I wanted to serve and give back to the community. And without the promise of PSLF and IDR, I wouldn't have been able to do that. Public servants, teachers, nurses, first responders, law enforcement. We accept lower pay, longer hours and the emotional toll that comes with our work because we believe in something bigger than ourselves. PSLF was meant to recognize that serving the public often requires advanced degrees, but comes- excuse me, but rarely comes with the salaries to support them. PSLF and IDR were created to acknowledge that reality to level the

playing field. For my family, the- that promise shaped our most personal decision. For example, my husband and I chose to have our funny and fierce daughter Penny when we did because we believed there was a light at the end of the tunnel for this debt. But now I worry that student loan debt will be generational in my family, because I can't begin saving for her education until I have finished paying for mine. \$78,000 worth of my loan should have been forgiven months ago. And instead, the rug was pulled out from under me with no answers. My family's future is now stuck in limbo, and it's been a nightmare. I have honored every part of my agreement. I have played by the rules, and now I'm stuck waiting and hoping. This isn't just financial, it's emotional and it's soul-crushing. Because the truth is, if PSLF and IDR go away, I don't know what I'll do. And I don't know what millions of us will do. PSLF and IDR are more than just a promise. They're a legal agreement. We need these programs to survive, not just for ourselves, but for the next generation of public servants who deserve to dream without fear of financial ruin. Thank you so much.

MS. ABERNATHY: Thank you for your comment. Christopher Schorr? You have three minutes.

DR. SCHORR: Thank you. Good morning. My name is Dr. Christopher Schorr. I serve as director of

higher education at the American Policy Institute. My comments today concern data reporting to the National Center for Education Statistics. The Department can help institutions of higher education to combat grade inflation by using its data reporting authorities to require Title IV schools to report average standardized test scores for students. Under this proposal, Title IV schools would report mean SAT and ACT scores at the course or Department level- and Department level. The Department would then make these data available through the IPEDS database. Public access to these data would enable education researchers to better measure academic rigor. Absent these data, grade point average comparisons between departments cannot account for non-comparable student populations. If, for example, students enrolled in critical disability studies and biomedical engineering earned comparable GPAs, it's not obvious that the two fields are equally rigorous. Accounting for student aptitude would enable universities to craft better-calibrated remedies for grade inflation. For example, a course or department-level cap on the proportion of A grades could be adjusted by Department or over time. Without such adjustments, across the board caps could discourage students from majoring in more demanding fields. Paradoxically, this would exacerbate known causes

of grade inflation, students shifting to less rigorous disciplines. Grade inflation must be addressed because current trends are unsustainable. Graders, for example, professors and grad students have strong incentives to treat students like customers, happy. Lax grading not only makes life easier, it also contributes to more favorable ratings from students and for professors these ratings factor into tenure and promotion decisions. Grades communicate information about student aptitude, including subject matter mastery, diligence, skill, grade inflation impedes the ability of grades to communicate this information, rendering excellent students indistinguishable from merely competent students. Due to grade inflation, graduate admissions officers and employers are now forced to evaluate applicants by other and often less useful (inaudible). Research has also linked grade inflation to reduced student learning and achievement. The proposed regulation relies on existing statutory authorities, and it is minimally burdensome. It does not risk student privacy because no individual test scores could be inferred from a course or Department average. Importantly, this proposal does not prescribe any solutions for grade inflation or preempt universities in any way. What it would do is provide information to help (30 seconds) researchers and ultimately

universities, to develop more effective (inaudible).

Thank you.

MS. ABERNATHY: Thank you for your comment. Mandar Jadhav? Forgive me if I've massacred your name.

MR. JADHAV: You got it perfectly right. So, thank you very much.

MS. ABERNATHY: You have three minutes.

MR. JADHAV: Thanks. Good morning. My name is Mandar Jadhav. I'm a pediatric psychiatrist and a former Republican policy advisor to the Senate Committee on health, education, labor, and pensions. Thank you for the opportunity to speak today. These views are my personal opinions and not of any organizations or employers. This is a very timely hearing because Congress is working on a bill right now that could have lasting impact on the Public Service Loan Forgiveness program and Direct Loans. PSLF is what has enabled me to commit to serving my fellow Americans throughout my career. I put myself through college using merit-based scholarships and work-study programs, but I could not have gone to medical school without direct loans and PSLF. Upon graduating, I was left \$400,000 in debt, and through my ten years of public service, I have never been paid well enough to pay

that debt back without PSLF. What PSLF has let me do is take care of hundreds of children, teenagers, seniors, parents in rural communities and urban areas. PSLF has also let me contribute to passing legislation that has expanded access to behavioral health services across America. And today, I work for a nonprofit that advocates for primary care access for all, something that also saves taxpayer dollars. So, in short, Direct Loans, Income Driven Repayment, and PSLF have allowed me to pursue my passion and not chase a paycheck. If in 2026 I get PSLF forgiveness, I would be able to finally buy a house, get married, and start a family. So, I ask the Department to take four steps to protect and stabilize Direct Loans, IDR, and PSLF. Number one, transition folks like me that have been stuck in SAVE forbearance involuntarily for over a year into an eligible Income Driven Repayment Plan. Two, ensure that this SAVE forbearance counts towards PSLF through the buyback process, which allows us to pay back more of what we owe. Three, ensure that people that have dedicated their whole careers to working in public service, in nonprofits, in Government, in safety net clinics, and other essential services can retain their eligibility for PSLF. And four, for those of us who sometimes get our income through 1099 payments instead of a W-2 while working in public

service, please consider allowing those payments and those months of employment to also be eligible for PSLF. Thank you very much for listening to me today, and I'm happy to follow up with any information and answer any questions that you may have. Thank you.

MS. ABERNATHY: Thank you for your comment. Sandy Saens?

MS. SAENS: Hi. Good morning. Thank you for the opportunity to speak. My name is (inaudible) Saens, and I'm a first-generation college student. I'm currently a fourth-year student at the University of California, Davis. I represent or I currently serve as my university's external affairs vice president, which means I represent the 32,000 undergraduate students at UC Davis to local, state, and federal levels. On a broader level, I'm also a part of the UC Student Association, which represents 232,000 students across the state of California. And I come today- I come to you today as a student who knows what it means to work hard for education. And I know how much that chance depends on fair, accessible, and reliable student debt relief programs like the public loans- like the Public Service Loan Forgiveness and Income Driven Repayment Plans. For students like me, these programs aren't just a policy, but they're a promise, a promise that education will be a

pathway to opportunity and not a sentence to decades of financial insecurity. They are a promise that public service is not just valued in words, but also in practice. What's being proposed now is not reform. It's a calculated step towards dismantling the very protections that allow low and middle-income Americans to dream, plan, and serve. Gutting PSLF and narrowing Income Driven Repayment Plans would push millions into higher payments for longer periods and stripping them of the relief that they were promised. It's more than a rollback. It's a betrayal of public trust and an attack on the working people, especially those of us who are trying to break generational cycles through education. We know that these programs aren't perfect. The student loan system has failed many for too long. But the answer isn't to take away what's already been promised. It's to honor the commitments that have already been made and to ensure that students today and tomorrow are not punished for pursuing an education. As a first-generation student, I carry the hopes of my family and my community and those who never had a chance to stand where I'm standing here today. I urge you to protect PSLF and ICR not just for current borrowers, but for all future borrowers. Thank you for your time.

MS. ABERNATHY: Thank you for your

comment. Esther Mejia? Aditi Harihan? And Esther one more time. Joseph Anastacio? Test that mic for me quick. Your voice.

MR. ANASTACIO: Hello, I'm sorry.

MS. ABERNATHY: Three minutes.

MR. ANASTACIO: Thank you. My name is Joseph Anastacio, and I'm a student at the University of California, Riverside. I'm also the son of a single immigrant mother who spent her life teaching in Head Start classrooms, fighting to make sure low-income children had access to the education they deserved. I'm here today because student debt should never be a life sentence. Any attempt to gut the Public Service Loan Forgiveness, Pay As You Earn, or Income Contingent Repayment Plan is an attack on the working-class families this system was meant to serve. Let's be clear. What's being proposed isn't reform. It's retaliation. It's part of a larger agenda to punish low-income borrowers, strip public servants of promise relief, and force millions into unaffordable monthly payments. These changes would break the promise made to teachers, nurses, veterans, and public defenders, people who have given years of their lives and service to this country, expecting fairness in return. I wouldn't be in college without Income Driven Repayment Programs, and I know I'm not alone. 8 million

people enrolled in SAVE because it gave them a real path to financial stability. (inaudible) these programs now would be devastating. This Department must reject any rule change that- rule changes that narrow access to PSLF, PAYE, or ICR. Instead, we must expand protections, cancel debt for its promise, and fix the broken system that got us here in the first place. Our futures are not bargaining chips. We need a student loan system that works for borrowers, not for loan servicers- services or political agendas. Thank you.

MS. ABERNATHY: Thank you for your comments. Raigan Johnson? Raigan Johnson? Isabella Anaya? You have three minutes.

MS. ANAYA: Thank you. Hello, everyone. My name is Isabella Anaya, and I'm a current second-year student at UCLA. And I also work for the UCLA School of Law as a legal translator for the Family Immigration Clinic. I'm speaking today not just as someone concerned about student loan policy, but as someone who knows what's at stake for our generation. These aren't just policy names. They're promises made to teachers, nurses, social workers, and graduates who have dedicated themselves to education, the protections for borrowers who are told that their debt would never be a lifelong burden. As someone from an immigrant family and

as a first-generation student raised by a single mother, financial aid accessibility is the reason I can go to college and pursue a future with higher education. Gutting these programs will trap millions in debt and will hinder economic mobility to grow our futures, purchase homes, and start families. If we let this happen, we'll be punishing the very people who keep our communities running; public service workers, graduates, and borrowers from all walks of life, many of whom are already counting on the debt relief they've worked for. Please allow us to protect what we were promised and ensure the future that we deserve. Thank you.

MS. ABERNATHY: Thank you for your comment. Aditi Harihan? Please correct me if I've mispronounced your name. Will you tilt that mic down for me? Make sure you can-

MS. HARIHAN: Hello? Did it work? Hi. Thank you so much (inaudible). Okay. Hi, my name is Aditi Harihan. And thank you so much for allowing me the space here to speak today. Trump's plan to change PSLF and ICR is an attempt to implement Project 2025's (inaudible) to increase student debt bills and remove borrower protections. Students can already not afford to go to school with the prices of food, housing, transportation, textbook materials and more increasing constantly. As the

UC Student Association President this year representing all UC undergraduates, which is over 135,000 students, as well as a student at UC Davis myself, I have been able to see firsthand the large numbers of basic needs insecurity on campus, almost making up half of the UC student populace. College prices are already too high and inaccessible, and this move by the Federal Government works to further reduce the number of people who can access higher education. Students do not want to go to school if they know that they will be stuck with high loan repayment for the rest of their lives. That is a significant barrier to students being able to access higher education, because people don't want to be trapped in debt and high payments. Students oppose this move, the community opposes this move, and it's important that the Federal Government affirms the necessity of education as a basic right, because education is already a huge financial investment, and it's important that a majority of people can access this. Thank you.

MS. ABERNATHY: Thank you for your comment. Esther Mejia?

MS. MEJIA: Hello.

MS. ABERNATHY: Can you turn it down just- tilt it down just a little bit more. Just tilt it.

MS. MEJIA: Perfect.

MS. ABERNATHY: Yes. You have three minutes. Thank you.

MS. MEJIA: Good morning. My name is Esther Mejia. I'm a fourth-year at the University of California Santa Barbara, and I also serve as the Government Relations chair for the UC Student Association. I'm not only a product of Pell Grant and Federal Work Study, but I'm a product of free and reduced school lunch, and I'm a product of Title I Funding. I'm here today to advocate for the protection of Public Service Loan Forgiveness programs and income-based student debt relief programs. This topic is more than a public comment to me. It is personal. I got into Georgetown School of Foreign Service for graduate school. As a first-generation student who dreamed of getting a bachelor's degree, having the opportunity to get my master's degree was beyond my wildest dreams, and that of my parents. With no financial aid to fall back on, in seven days, I have to make a decision on whether or not to commit to going to graduate school and commit to getting into over \$100,000 in debt. The decision that you make here in this room makes an impact on the rest of my life. I've worked tirelessly throughout my undergrad to get into grad school, and now your decision on this matter and people's ability to get debt relief programs

is not only a decision that is going to affect me, but it's going to affect millions of Americans across the country. If you eliminate or narrow program PSLF, PAYE, and ICR, American borrowers will be trapped in debt with higher payments for longer times. Destroying PSLF would mean millions who earned relief through public service and made decades of payments in good faith would be cheated out of their right to cancellation. The decision that you make on PSLF- on PSLF will impact students' decisions and ability to go to college. And in the long run, it will stop us from creating an educated and competitive workforce on the international level. If we want to bring jobs back to America, we need to give people the opportunity to be eligible and access those jobs. That tool of accessibility can only be received through education. Thank you.

MS. ABERNATHY: Thank you for your comment. Jared Castaneda?

MR. CASTANEDA: Hello.

MS. ABERNATHY: Three minutes.

MR. CASTANEDA: Sounds good. Hi, my name is Jared Castaneda, and I serve as the Government Relations Aide for the Associated Students of UC Irvine in California. Go Eaters. Today, many students have given their stories today not just to highlight the proposed

economic malpractice, but to stand up to the modern-day disenfranchisement of students and public service workers. Today, the same people who gained their Government positions through campaigning for the working class have proposed pushing out this country's next generation of public service leaders. This administration superficially champions working-class rhetoric, while simultaneously decreasing the financial well-being of working-class families and increasing money into corporate loan entities and interests. We did see where serving similar corporate interests landed us in 2008, and oftentimes I wonder when these policies will trickle down money to mine and other low-income people's pockets. Today, borrowers already are burdened by an economy characterized by unaffordability. Cuts and limits to PSLF, PAYE, and ICR will have irreversible effects on people's credit, rent money, and their ability to live and have their basic needs met. Actually, people will generally be required to have higher payments for a longer amount of time than current timelines. I cannot see how this allegedly will serve the working class, the same working class that works hard tirelessly to subsidize this country's highest earners. Concurrently, members across the entire political spectrum have failed to deliver accountability for deceiving loaning

practices, and so our futures are left with uncertainty. As someone who aspires to go into public service, these proposals on loan repayments discourage and punish my peers for working for the community. We deserve to contribute to our communities without the burden of lifelong debt, and we cannot retire the same people who dedicate their lives to uplifting the public into poverty. Furthermore, establishing limits and dismantling specific loan repayment programs will deprive me and thousands of other students who aspire to serve their communities the opportunity to enter the public sector. Lastly, I do not understand why my education and access to loans are being politicized. Across the country, academic freedom and dissent is being silenced and policies disenfranchising our education are being implemented while those same people acknowledged that teachers, nurses, and other careers are facing shortages. Yet, the politicization of education is nothing new. Universities used to be nearly a public good, but following the civil rights movement, the cost of college spiked during the Reagan Administrations. Similarly, as our communities face and have fought against massive injustice, especially through students and higher education, higher education is becoming more inaccessible. We need to safeguard the hopes and dreams

of the next generation of public service leaders, and we need to continue these programs that serve as a foundation for people who want to serve their communities. Retaliation against the working class is not and will never be the answer. Thank you.

MS. ABERNATHY: Thank you for your comment. Ashley Ann Reich?

MS. REICH: Hello.

MS. ABERNATHY: You have three minutes.

MS. REICH: Thank you. My name is Ashley Reich. I'm the senior vice president of University Compliance representing Liberty University. Thank you for the opportunity to speak on these important issues surrounding student loan repayment plans, as well as other regulations that have had a profound impact on our over 100,000 students. As a nonprofit institution of higher education, Liberty's employees have been the beneficiaries of Public Service Loan Forgiveness. I am one of those employees that has been able to qualify and benefit from this program. Additionally, we have many of our students that qualify for this program as public service. Liberty supports the continued inclusion of the institutions of higher education as a qualified employer, assisting our employees who are serving students and

communities to reach educational goals, develop a better quality of life and achieve academic success. Currently, the process is cumbersome and there has been confusion around the buyback program and delays in processing. This program should be streamlined to ensure timely processing, especially as individuals become eligible for forgiveness. Regarding PAYE and ICR, Liberty frequently receives comments from students that have confusion surrounding the complexities of the repayment plans. There are too many options, too many steps, and information overload that often leaves students paralyzed and unable to choose or maintain a repayment plan that fits their financial circumstances. As someone that has spent over 18 years in higher education and most of my time administering student loan programs, I've counseled countless students on how to navigate this process. I encourage the Department to prioritize simplicity and streamlining repayment programs. The need for straightforward options, minimal application processes, and auto-reenrollment each year are essential for students to maintain payments and prevent loan default, which would be a win-win for the students and the institutions. We have been supportive over the years of (inaudible) income-based repayment plan, one standard plan, and the continued opportunity for PSLF options with

appropriate guardrails for eligible students. I'd also like to take the opportunity to talk about a few additional Title IV regulations to consider. We support the rollback of gainful employment and Financial Value Transparency, as well as borrower defense to repayment regulations. At a minimum, we would ask the Department to reconsider the metrics being used and systems being created to house the data collected. One really important issue for our institution is state authorization. State authorization for institutions providing distance education has evolved multiple times over the years. Our institution has been knee-deep in regulations due to the fact that we have students across state lines and many licensure programs. These regulations require all programs that are designed and advertised to meet licensure requirements and have become incredibly burdensome. All in all, these additional requirements add significant burden for institutions and reduce creativity and thought for developing academic programs as a complex system of state requirements, prohibitive. Thank you for the opportunity to present today. We've also submitted detailed suggestions in our written comments. Thank you.

MS. ABERNATHY: Thank you for your comments. Raigan Johnson?

MS. JOHNSON: Hello? Hello? Better?

MS. ABERNATHY: Yes.

MS. JOHNSON: Thank you. My name is Raigan Johnson. I'm a third-year student at UC San Diego studying public health and graduating this year. As a first-generation student from a working background and single-income family, I am no stranger to student loans and financial aid. I have worked through high school and all through college in order to afford my tuition, rent, and basic needs. And yet, I have still taken out student loans and will have to pay off my debt. This is not uncommon to hear that a student cannot attend university without the help of Federal Aid, myself amongst them. It has become normal for students to struggle to pay back their loan debt. What is not normal is the fact that this administration does not seem to care and intends on cutting programs that directly impact the lives of millions of students and families across the country. Students, myself, obviously support time-based debt relief, Income Driven Loan Repayment, and expanding the Pell. Without these resources, some of us are likely to spend the rest of our lives repaying our loans, especially those of us seeking to attend graduate or professional schools. It is also evident that the general public supports these initiatives, as polls show that 60% of voters, including a majority of Republicans, oppose

eliminating Income Driven Repayment options. So how can it be that legislators elected by us and for us, attempt to cut funds that their constituents need? We urge you to help us keep them accountable. Killing Pay As You Earn and Income Contingent Repayment Plans would jack up monthly bills, especially for borrowers who earn too much for Income-Based Repayment but too little to pay off their loans, graduates struggling to pay for rent and basic needs, and not able to contribute to the economy in the way that they should. With less jobs everywhere due to Government budget cuts and erroneous executive orders, how are we meant to pay back our loans at all, let alone at a higher monthly price? With inflation out of control despite promises to lower it, how are we meant to afford food, clothes, or transportation? This attack on student borrowers is not just an attempt to cut corners on funding, but an attempt to limit accessibility of higher education. With these cuts, struggling to pay for loans will become a privilege (inaudible) reduced to folks not even able to think about attending university due to the cost. These proposals are not reform; they are attacks against the working people and we are not blind to that. Students urge you to remember that the effects of these funding cuts will be catastrophic to the system. We deserve access to higher education and the ability to

change our life trajectories. College should not only be for the wealthy. Thank you.

MS. ABERNATHY: Thank you for your comment.

MR. ANDRE: I just want to jump in and just clarify. This rulemaking that we're talking about, there are no proposed budget cuts. There's no proposed elimination of PSLF. So, to- just to keep the facts on the table and the narrative, we're talking about this proposed rulemaking type of thing that we do to get rid of PSLF requires legislative changes. We're dealing with what we can do under statutory authorities. And so, I just wanted to set the record. And this has nothing to do with budget cuts. Thank you.

MS. ABERNATHY: Ben Bartlett?

MR. BARTLETT: Hi. Can you hear me okay?

MS. ABERNATHY: Perhaps you should hold the mic for this.

MR. BARTLETT: Yeah, I'll hold-

MS. ABERNATHY: Can you do that?

MR. BARTLETT: Okay. How's this?

MS. ABERNATHY: Great. You have three minutes.

MR. BARTLETT: Hi, my name is Ben

Bartlett, and I'm a student at the University of California, Berkeley in the Federal Government Deputy Director. I finished my degree two years early, and I'm taking this year to complete my thesis in HIV and AIDS. But, yeah, I'm so overwhelmed with that. I stand before you today as not only a student of one of the world's most prestigious public institutions, but as the son of a single mother who works tirelessly to keep our family afloat in the San Bernardino Valley. I speak today not from theory or abstraction, but from lived experiences, because these proposed changes to PSLF, PAYE, and ICR aren't policy tweaks, they are sure threats to families like mine. My mother works full-time, often picking up extra shifts to provide for me and my disabled younger brother. She does this while carrying the weight of a household alone. She's never asked for anything but a chance, just the opportunity for her children to rise above the limitations that poverty seeks to impose. And I believe that education was the path. So, I studied, I sacrificed and enrolled at UC Berkeley. But make no mistake, I did this alone. I did not (inaudible). I did it through loans, Federal Aid Programs that promise not just access to education, but the hope of a future not crushed under the weight of debt and working three jobs, one of which is work study. Now I prepare for graduate

school knowing I will have to take on more loans because of my NIH grant research and environmental microbiology being cut at prospective graduate schools. Instead of focusing on my research, my fieldwork, my service, I now spend sleepless nights wondering if the very programs that made this journey even remotely possible will still exist. The Department of Education's intent to overhaul these programs under the guise of procedural reform is not neutral. It's a move (inaudible) an ideology acquired by devastating rollback of borrower protections designed to entrench inequity. These are not repayment plans. These are lifelines. And if you sever them, you don't just increase payments, you bury people. The elimination of these programs would be a betrayal of millions of borrowers, especially those from marginalized and working-class backgrounds. The Public Service Loan Forgiveness Program is not a loophole; it's a moral contract. It says that every teacher and nurse, social worker and public defender through service matters. This is that we recognize the value we give to our society, even when the work isn't lucrative. Removing it tells us that we are disposable. PAYE and ICR exist because income should determine your ability to pay, and predatory interest rates are arbitrary timelines. These programs recognize that a degree should not be a change to a

lifetime of financial precarity for people like me, who (inaudible), these plans are what stand between dignity and despair. Let me be clear. These changes are not about fiscal responsibility. They are ideological punishment retaliation against working-class students, students of color, first-generation college graduates, and anyone who dared to believe in the promise of upward mobility through education. The (inaudible) now of the pandemic revealed the fragility of so many Americans financial (inaudible) is unconscionable. It's not reform. It's erasure. Erasure of progress, of equity, of faith in the American dream. I urge the Department and the decision makers involved in the Negotiated Rulemaking process to not abandon us. Do not sacrifice millions- futures of millions (inaudible). We're not asking for a handout. We're asking for a fair shot.

MS. ABERNATHY: (inaudible). Valeria, Valeria Velasco? I'm sorry if I mispronounced that. Test the mic for me to make sure you can-.

MS. VELASCO: Hello? Hello. Good?

MS. ABERNATHY: Just make sure you stand close to it.

MS. VELASCO: Is this better? Okay.

MS. ABERNATHY: You have three minutes.

MS. VELASCO: Thank you. Hi. Good morning. My name is Maria Velasco. I'm a fourth-year international relations student at UC Davis, and I also work as a student supervisor at the Financial Aid Office, where I assist students and families with questions and concerns related to financial aid. I'm here today to speak out against the proposed changes of the Public Service Loan Forgiveness Program, Pay As You Earn, and Income Driven Repayment Plans. As a student supervisor, I talk to families and students directly about their financial aid options, and one thing that I consistently notice is how hesitant and worried they are when it comes to student loans. Many students come- sorry, many students are anxious about the ability to manage debt and the long-term burden that it will create. However, when I explain the available relief options such as PSLF, PAYE, and ICR, they feel more confident in pursuing higher education. These programs help students take the first step towards their academic and career goals without the overwhelming fear of unmanageable debt. These programs are essential in making higher education accessible. They allow students to attend their dream schools and to start the path in achieving their American dreams. If these programs are scaled back, it will only serve to discourage students from pursuing higher education. It

will close doors for motivated, talented individuals who are working hard to improve their futures and to contribute to their communities. With the current decline in college enrollment, these changes have had devastating effects on the future workforce and particularly in high-skilled job sectors. We need to support these programs to ensure that students are not pushed away from education because of the looming burden of debt. I firsthand have seen the effect of these programs and how it has affected my peers. I've witnessed students who are unsure about pursuing their degrees due to the financial barriers, and once they learn about these programs and the potential loan forgiveness they are- they feel more empowered, and they want to continue their education. For these students, PSLF, PAYE, and IDR are more than just loan programs. They request a real opportunity to invest in their futures without, without drowning in debt. I urge for the protection of student loan borrowers and the programs that assist them. These programs are vital for ensuring that students can pursue their education without the fear of lifetime debt. Cutting or eliminating or limiting- sorry, these programs will only discourage students from attending college, ultimately harming our economy and workforce. Please consider the long-term impacts of these changes and listen to the voices of the

students who rely on these protections. Thank you for your time and consideration and the needs of the students across the country. I hope that you will choose to protect these vital programs and ensure that all students have the opportunity to succeed. Thank you.

MS. ABERNATHY: Thank you for your comment. Javier Nunez-Verdugo.

MR. NUNEZ-VERDUGO: Hello. Hello. Okay.

MS. ABERNATHY: You have three minutes.

MR. NUNEZ-VERDUGO: Good morning. My name is Javier Nunez-Verdugo, and I am a UCLA student serving as their external vice president, representing the interests of tens of thousands of undergraduate students to university administration, local, state, and Federal Government. I also serve alongside the UC Students Association, like many of my peers, representing over 230,000 students from a variety of backgrounds. Today, I am advocating for the existence and maintenance of Income Driven Repayment Plans and Public Service Loan Forgiveness program. As a first-generation low-income student, a child of immigrants, financial programs that support the inclusion of students from diverse backgrounds like these are crucial to closing equity gaps

in higher education. Without access to Federal financial aid programs like the Pell and student loans, I not only would not be here today in my capacity as a student advocate, I would also would not be able to receive lifesaving medical care for my disability. For others, IDR and PSLF means economic stability and opportunity for not just themselves, but their families, both biological and (inaudible). (inaudible) education and work (inaudible) to life. (inaudible) gutting these financial programs like IDR and PSLF will not only stunt the economic growth of millions of Americans but is an intent to kill because being forced to pay exorbitant amounts of debt rather than providing for their basic needs like food, rent, and even necessary medical expenses is deadly. An intent to cut access to millions unable to earn their right to an education is inherently against the people and principles of democracy that I have learned since 22 years of my life, I've been living in this country. I call upon the Department to protect access to (inaudible) programs like IDR and PSLF (inaudible) for the students like me across the country today to address the Board. (inaudible) generations of youth that will continue to (inaudible) the dreams that can be skyrocketed to their highest potential through receiving a college degree. Thank you.

MS. ABERNATHY: Thank you for your comment. We're going to take a slight break. (inaudible) difficulty with the mic. So, if you would, please make sure you speak into it so that we can hear you, that would be really helpful. Joe Smith, would you please come?

MR. SMITH: Can you all hear me well? Good. All right, good morning.

MS. ABERNATHY: Three minutes.

MR. SMITH: My name is Joe Smith. I am a 26-year veteran of the Department, recently retired from FSA's Institutional Oversight Program. The Financial Composite Score is in need of reform, but you should refrain from amending it during this rulemaking. Instead, you should be preparing reform by engaging an independent financial firm to first identify industry best practices, alternative conceptual designs, and legal obstacles to implementing improved methodology. Then, consistent with section 426 of the Department's Organization Act, report your findings to Congress along with any statutory changes recommended by the study. Once the law has been amended, begin a new rulemaking. Second, modernization of financial information collection requirements and increased transparency will help you, states, accreditors, and others better identify and mitigate

school closure risks and avoid huge costs to taxpayers and students. To this end, Title IV program participants should report quarterly unaudited financial statements and footnotes in addition to audited annual filings as a condition of participation. Financial statements, data, and other information should be reported in Extensible Business Reporting Language to enable computerized analysis. The recent abolishment of FSA's Financial Analysis Division heightens the need for major upgrades to financial data, information collections, and for unrestricted public access to the Department's data assets covering the financial responsibility and condition of participating entities. Third, the era of ever-changing gainful employment rule must end. Partner with Congress to enact lasting accountability reforms, while allowing the courts to judge whether the latest GE rules will survive (inaudible) scrutiny. Related to GE, strike 668.16t and rely solely on 668.171 B2 iii, which itself should be amended an index to an operating (inaudible). Fourth, the Stop Campus Hazing Act contains conflicting implementation (inaudible). Issue interim final rules clarifying when the new law should be implemented by schools. Fifth, the Administrative Capability Rule should be reorganized around its implied categories of organizational structure and staffing,

counseling, administrative competency, and institutional integrity. Sixth, as documented by the GAO and others, students transferring between Title IV participating institutions can experience needless loss of academic credit. Receiving institutions frequently have residency requirements that waste students' time and cause them to repeat substantially similar courses previously passed and paid for with Federal funds at their prior school. Consider carrots and sticks for institutions and their accrediting agencies to minimize stranded academic credits, to promote timely degree completion by transfer students, and to disallow wasteful spending on (20 seconds) (inaudible). Since the Department has diminished its oversight capacity, work with Congress to finalize the wind-down of your legacy student loan programs such as the Federal Perkins Loan Program. Finally, encourage Congress to renew the Advisory Committee on Student Financial Assistance to assist the Secretary with the work for which today's hearing has been convened. Thank you for the time today.

MS. ABERNATHY: Thank you for your comment. Maleeyah Frazier?

MS. FRAZIER: Can you hear me? Okay.

MS. ABERNATHY: You have three minutes.

MS. FRAZIER: Okay. Good afternoon. My name is Maleeyah Frazier. I'm a first-generation low-income college student at UCLA. I'm a product of public education, and I'm speaking today as a student of the University of California system. On behalf of countless students, alumni, parents, and future borrowers across the country, I am as well deeply concerned about the proposals currently being considered during this Negotiated Rulemaking process. If enacted, these changes would not only devastate millions of borrowers, they would also fundamentally harm the future of higher education access for students, public service, and economic mobility in this country. Limiting access to Public Service Loan Forgiveness would directly, disproportionately punish those who have committed their careers to teaching, public service, government work, and nonprofit service, these professions, these professions which are critical to our futures, to our communities. People are always preaching that the, that the youth are the leaders of tomorrow. We are, in fact, the leaders of today. Communities already face serious staffing shortages in education. Making loan forgiveness even harder to attain will not only deepen the crisis and send chilling messages that serving public good is not valued. Eliminating time-based debt relief would essentially turn

student debt into a life sentence. No one should spend decades trapped under the weight of loans for seeking education, especially when education is supposed to be a public good and not a private burden. Finally, increasing average monthly payments from \$98 to nearly \$300 would force many borrowers, particularly low-income, first-generation college students and people of color, causing them financial instability. At a time where cost of living is already skyrocketing, this change will push more people into default, deepening wealth inequality and erode trust in higher education systems. Everyone can agree that the cost of living is extremely high, but the Pell Grant and Cal Grant have not kept up with those moving expenses. We urge the Department and this current administration to protect existing programs like PSLF, maintain pathways for first-time-based loan forgiveness, and prioritize policies that make education more affordable, attainable, and not policies that punish borrowers who are simply trying to invest into their futures. Thank you.

MS. ABERNATHY: Thank you for your comment. Sheryl Samala?

MS. SAMALA: Hello.

MS. ABERNATHY: You have three minutes.

MS. SAMALA: Hi, my name is Sheryl Samala. I'm a second-year studying public affairs and labor study at UCLA. I'm here on behalf of not just only myself as an individual student, but of the thousands of students across California who face barriers to higher education. I was brought here by my student government, the external vice president office at UCLA, and the University of California Student Association, to represent our collective voice. I'm a first-generation low-income student. I received financial aid, the Pell Grant and Work Study. And with all of that, the rising cost of tuition, housing, and food make it difficult going through college. But for undocumented students and students from racially targeted communities, their barriers are even deeper. They face additional systemic obstacles and fewer protections, making it even harder to achieve their educational dreams. I'm here to urge you to protect Income Driven Repayment Plans like PSLF, Pay As You Earn, and Income, Income Contingent Repayment. These programs matter. Without them, so many low-income and middle-income students would be left behind. And that includes students like me who want to go to college, who want to serve our community but are afraid of being buried in debt for the rest of our lives. What's being proposed not only makes student debt worse, these changes

would force borrowers to make higher payments for longer, and take away the options that give us a fair shot at financial stability. And it sends a message that our goals and our futures don't matter. But investing in students is investing in the future of this country. We're going to be the next generation of public service workers, educators, social workers, healthcare workers and leaders. If we make college more expensive and harder to- harder to repay loans, we're not just hurting students, we're hurting the country's workforce and long-term success. I'm grateful to be speaking here today, and I'm speaking on behalf of so many students who don't get the chance to be here, students who are already discouraged from pursuing higher education because they can't afford it and are scared of going into long life-lifelong debt. We need policies that support students, not ones that push us away. Please protect PSLF, PAYE, and ICR to ensure that higher education remains accessible for all. Thank you.

MS. ABERNATHY: Thank you for your comment. Alexa Arredondo Aguilar?

MS. ARREDONDO AGUILAR: Good morning. My name is Alexa Arredondo Aguilar. I want to start off by saying thank you for allowing me the space to speak with you today. I'm a first-generation university student

invited by the University of California Student Association to act as a delegate to represent the needs of our thousands of students in the UC system right now. About 32% of students at UC take out loans, and I'm one of them. Within my first year, I believe I racked up about \$8,000 in loans. And after four years, you know, I've taken up two jobs consistently. I've had those jobs for four years, and I am not even near close to repaying these loans. I am not even about halfway through paying these loans. And I'm super grateful for my family and the opportunity to go to college in general, and to represent the needs of the Mexican immigrant community as a Mexican immigrant myself, who has established citizenship and opportunity that many people in my community don't even consider as an option. So, I'm urging you to please, please do your best to protect programs and income repayment programs like IDR and PSLF. Thank you for your time. I'm just one voice, but- and I may not be very tall, or I may not be like the voice you see every day, but I really, really hope that my voice carries some weight in your consideration. Thank you so much.

MS. ABERNATHY: Thank you for your comment. Jake Garcia-Ducich. I hope I didn't massacre that. Ducich. Thank you.

MR. GARCIA-DUCICH: Hello. Okay.

MS. ABERNATHY: You have three minutes.

MR. GARCIA-DUCICH: Thank you. Hi, I'm Jake. I'm a student at UC Davis. I'm a third-year transfer student and political science student. And I just wanted to clarify that the narrative that this is- you know, that this can only be eliminated legislatively. I think it's misleading because the reality is that shelling out these- you know, the changing the qualification criteria or whatever it may be, drastically reducing these programs is extremely harmful to all of the students that have come here and that- all of us that need to take out loans need to continue to rely on support from the Government. And the reality is that this is not- I want to reverse the narrative that this, this aid is some sort of, you know, handout, that it's something that the Government needs to give to students. The reality is that college has become increasingly unaffordable, that this is something that has not kept up with decades past, and that students are needed, that we are the future of the economy and that we will construct and continue the institutions that operate now. And the narrative that this is just something that, you know, it's optional. I want to stress that it is not optional. And you know, the forgiveness that is being given, the

forgiveness that is being implemented, these driven repayment, repayment plans are the complete- they're a perfect example of, you know, the, the narrowness of the whole self-reliance idea because people are fighting already, they have jobs, we're studying, we're relying on the little- you know, a lot of students are food insecure. I think it's 30 to 40% of all university students. And this is a fight that we are continuing and to have to have any forgiveness that we have taken away on top of the fight that we are currently waging to support the systems that exist now to create you know, prosperity for everyone, this is our goal, is- I think it's just insulting, honestly and, and shortsighted because the reality is we need to promote stability long-term and we need to think in long-term with a long-term vision. And if we support, if we invest in students, if we create a robust system for the promotion of public service workers- I mean, these are systems that are vital that, that, you know, let our country be alive. And without that support, without the incentivization, we, we lose students, we lose education, we lose the basis for the continuation of our country and the, the, the prosperity of our people. And I just want to understand that this mindset of, of- the short-sighted mindset of not abundance, but scarcity- it creates scarcity long-

term.

MS. ABERNATHY: (30 seconds)

MR. GARCIA-DUCICH: And if we create a culture of abundance, and we promote learning just for the sake of learning and truly support these educators, these people working for public service, we will get this in return. It is an investment that comes back. So that's all I wanted to say. Thank you.

MS. ABERNATHY: Thank you for your comments. Christine Kieta?

MS. KIETA: Christine Kieta and-

MS. ABERNATHY: Three minutes.

MS. KIETA: Three minutes. I am a private attorney, as you all may know, and I do have a small practice in the suburbs of Chicago. So, I do see the different repayment programs in different capacities. And my comments really on those specifically related to the rise in the cost of education are what are the latent economic effects of these long-term repayment programs, just generally on the US economy, separately from and in addition to subsidizing the actual student loans. In 2023, the average graduate loan disbursement for Southwestern Law School was \$188,164. A sample loan repayment schedule for sample loans for \$188,164, at 6% paid over 25 years, generated interest of \$175,538.99.

But because it's graduate student loans, if it's at 8% interest, then the interest over 25 years is \$257,520.08. The total cost of tuition for that school is somewhere between \$363,703.99 to \$445,684.08. The interest alone is a retirement account. This is a serious financial investment. And these amounts that I just gave you assume that there are zero problems administering these repayment programs. Zero accounting errors, zero litigation that affects them, zero delays in annual recertification, to name a few. Just to color the financial impact more fully, if somebody spends four years undergraduate school, three years in graduate school, and then 20 or 25 years in one of these repayment programs, that's administered totally perfectly, that person is affected for 30 years financially, not 2, not 10, not 20, 30 years financially. Multiply that by millions of people across the US economy. The National Center for Education for Health Statistics reported as of April 25, 2024, birth rates for women between 20 and 39 declined. As this stat relates to society, a serious question then becomes, what are the wider effects of this debt on the health of the US economy? Would just the interest be better in a retirement account, accruing interest itself with these student loan borrowers are not a responsibility of the US taxpayer, but at a later stage

in life? Does the long-term nature of this debt disincentivize these student loan borrowers from adding people to the US economy?

MS. ABERNATHY: 20 seconds.

MS. KIETA: And should these colleges continue to enjoy what appears to be zero risk of loss related to the tuition, given the very obvious likelihood of taxpayer subsidization? Thank you.

MS. ABERNATHY: Thank you for your comment. Erin Karl? You have three minutes.

DR. KARL: Hello. My name is Dr. Erin Karl, and I'm an emergency medicine physician at Hennepin County Medical Center in Minneapolis. And yes, if you hear emergency medicine and you think of The Pitt on HBO, it's exactly like that, but more on that later. In regard to PSLF, qualifying employers for healthcare workers, this should, of course, continue to include nonprofit hospitals, but I would also recommend counting payments made while working at nonprofit hospitals yet while being paid directly through a contract management group via 1099. At the end of the day, a physician who is paid by a CMG at a nonprofit hospital is still putting in 120 months of payments that would otherwise be qualifying if it wasn't for a 1099 and CMGs taking over emergency medicine contracts. It's also essential that payments

made while training at a qualified hospital during residency are counted. Resident physicians work over- up to, and sometimes over 80 hours per week during residency, and to not count these payments would be insulting. In talking with my friends who are both physicians and active-duty military, not counting payments during residency would be like not counting months deployed towards the total year served in the military. Next, those of us currently on SAVE were changed to this plan without consent or a new contract, and thus we should be allowed to buy back these months that we're currently in a forced forbearance. Many of us have tried to switch to PAYE or IDR yet have been stuck in the void for months. We want to pay. We want to have these months count. Again, we want to pay these months. I'm speaking of ways to pay. Remember that those of us pursuing PSLF want to stimulate the economy once we've reached our 120 qualifying payments. There are thousands of us on PSLF, even physicians who cannot afford to buy a house and have children until their loans are forgiven. I cannot, as a physician, both buy a house right now and have a child. I have to decide between those two right now. Back to SAVE. Please transfer those of us currently on SAVE to the new plan, while honoring the timeline for recertification of our income that we all received

official notice of earlier this year. Many of us are getting delayed for our recertification for the year. One of the last things I want to leave you with is while I work at an urban teaching hospital, I was raised in rural Minnesota, and rural medicine in America relies heavily on PSLF as a means to recruit primary care physicians to practice in communities that they might not have otherwise considered. Even our residents, who are currently rotating in rural emergency departments, have now signed contracts with those areas, and they would not be able to do that if they could not get their loans forgiven. Finally, I want to leave you with this. If you haven't yet seen The Pitt, I want you to watch the first episode tonight. Then ask yourself, how do you feel? Are you emotional? Do you wonder who would choose to do this? Well, EM docs like me, who clearly did not go into this for the money, that's for sure.

MS. ABERNATHY: 20 seconds.

DR. KARL: Someone who believes that even while working harder yet making well over \$100,000 less per year than my co-residents who work for private groups, I want to do my part to make healthcare in America better for each and every one of my patients. Just like on The Pitt, when we walk into a shift through the crowd of more than 40 patients, we do this to save

lives. So why make this harder for us? Please, please, please support common sense regulations for PSLF. And by the way, support me and my fellow public healthcare service workers. Thank you so much for your time and consideration.

MS. ABERNATHY: Thank you for your comment. Mizuni Reese?

MS. REESE: Hi. Hello? Okay, cool.

MS. ABERNATHY: Stand close to it.

Three minutes.

MS. REESE: Got it. So, hi, I'm Mizuni Reese. I am a third-year student at UC Davis, double majoring in both political science and African American studies. And I'm here on behalf of my school and my UCSA Association, of course, but I'm also here to speak on behalf of the students on Pell Grant, Cal Grant A and B, as well as a merit-based scholarship. As a student, I am grateful to be here and of course, grateful for the opportunity for education. But I am firstly a first-generation student from a single-parent household who grew up in Marin County on Section 8. With two younger siblings, I'm here to build a legacy for my family and develop an understanding of the value of education. And without the Pell Grant and Cal Grant A and B, as well as merit-based scholarship, I wouldn't be able to do the

advocacy I do today. I wouldn't be able to participate in the research that I've conducted through both University of California Center at Sacramento, the Transformative Justice Through Education Program at UC Davis, as well as the Aggie Scholar Research Initiative. I'm on my third round of research contributing to the social sciences and political science community because I value education so much. My research is based on equity in education, and all of my findings have supported my reasons for being here again. Again, as a first-generation student, I understand the necessity for these financial aid- for these financial aid resources. Without these things, I couldn't afford my education, let alone the living expenses that allowed for me to be at this institution. Republicans have always insisted upon limiting government aid to Americans like myself, who have fallen victim to the disparities we've seen in inequality of wealth and education. I'm here to really resolve those issues, but without the educational financial aid that you guys provide, I would not be able to do so. I have a friend from Chicago who's here on out of state, out of state tuition, who's doing research at UC Davis Medical School under Dr. Wang, making breakthroughs in Alzheimer's research, yet she has thousands of dollars in student debt while still being on the Pell Grant. With

aspirations to work in healthcare, the PSLF is essential to her success and her continuation of her education. How do you expect American students to pursue careers essential to a modern society, such as healthcare, law, and education if they can barely afford undergraduate degrees, let alone additional education necessary to pursue those careers? These practices are predatory, attacking working-class Americans who seek to educate themselves and embody the meritocracy Republicans to credit for their own success despite clear socioeconomic disparities between classes that make this impossible. Continuing student loan debt is already debilitating, and without financial aid and assistance such as Pell Grant, we will be unable to produce enough educated and capable Americans to create the robust domestic economy Republicans seek to foster through their aggressive, isolating policy practices we see today. I implore you to defend our student population, protecting them from exorbitant loan payments and denial of education due to financial barriers. These policies are the antithesis of American values, making education only attainable to those with the financial means, directly juxtaposing American foundations of equality of opportunity. Without the financial assistance we currently have, students like myself would no longer be able to contribute their

experiences, research, and educational value to the institutions I represent today. So again, I implore you to support our students and protect us from these violent and aggressive policies that would no longer make it able for someone like myself to be here in front of you today. Thank you for your time.

MS. ABERNATHY: Thank you for your comments. We're going to break for lunch. We will see you back at 1:00.