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July 16, 2009

The Honorable George Miller
Chairman
Committee on Education and Labor
U.S. House of Representatives
Washington, D.C.

The Honorable John Kline
Ranking Member
Committee on Education and Labor
U.S. House of Representatives
Washington, D.C.

RE: H.R. 3221, the Student Aid and Fiscal Responsibility Act of 2009

Dear Chairman Miller and Congressman Kline:

The Council of Graduate Schools is concerned that the Student Aid and Fiscal Responsibility Act of 2009, introduced yesterday, would eliminate subsidized federal Stafford loans for graduate and professional students, beginning in 2015.

This would be the first time in the history of the federal student loan program that an existing borrower benefit would be eliminated for a particular group of students.

Graduate students are, on the whole, financially needy; more than half of all graduate students have a total annual income below \$36,000. For federal financial aid purposes, all graduate students are considered independent, expected to fund their education from their own resources.

Over half of all graduate students amass loan debt while they are still in school, with average cumulative debt of almost \$35,000. This is in addition to the 40% of graduate students who still owe on undergraduate loans, with average undergraduate debt of over \$21,000. The average annual graduate student loan debt is more than double that of undergraduate debt.

Eliminating subsidized loans would have the net effect of raising the cost of attendance and discouraging participation in graduate education, especially by disadvantaged students and those from underrepresented groups.

Employers increasingly seek highly-skilled workers with graduate degrees. The Bureau of Labor Statistics estimated that one-sixth of the fastest growing occupations through 2016 will require a master's or doctoral degree.

Today's graduate students are tomorrow's scientists, engineers, teachers, and experts in a wide array of fields. They are also the future college and university faculty we will need if we are to meet President Obama's goal of doubling the number of college graduates by 2020.

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Graduate education is a key component of our national innovation and talent development strategy and is an essential element in creating the highly-educated workforce necessary to remain competitive in the knowledge-based global economy of the 21st century. Producing the next generation of Americans with the advanced knowledge required to solve complex problems is crucial to keeping our nation secure.

We appreciate the Committee's efforts to broaden access to higher education which has historically included graduate and professional students. We respectfully request the removal of Section 215 from the bill in order to retain subsidized loans for graduate and professional students.

Regards,



Debra W. Stewart
President

cc: Members of the Committee on Education and Labor

The Council of Graduate Schools (CGS) is an organization of over 500 institutions of higher education in the United States and Canada engaged in graduate education, research, and the preparation of candidates for advanced degrees. Among U.S. institutions, CGS members award 95% of the doctoral degrees and 84% of the master's degrees. The organization's mission is to improve and advance graduate education, which it accomplishes through advocacy in the federal policy arena, research, and the development and dissemination of best practices.