September 8, 2014

[Senator’s Name]

[Senator’s Office Address]

Washington, DC 20510

Dear Senator [Senator’s Last Name],

As president of the [Name of Organization] at [Name of institution], which represents [# of graduate-professional students] graduate and professional students, and also as an organizational member of the National Association of Graduate-Professional Students (NAGPS) which represents more than 600,000 graduate and professional students from over 95 institutions across the United States, I am writing to express concern over legislation recently passed in the U.S. House of Representatives, H.R. 3393, and urge you and members of the Senate to seek solutions that make post-secondary and graduate-professional education more accessible and more affordable.

**Necessary Changes in the Tax Code**

We support the efforts of the bill in making the American Opportunity Tax Credit (AOTC) permanent, indexing it to inflation, and improving the coordination with Pell Grants in the tax system. However, some of the changes proposed by the bill would negatively impact our nation’s graduate and professional students and their families who benefit under the current law.

**H.R. 3393 hurts Graduate-Professional Students and Lifetime Learners**

The bill eliminates the Lifetime Learning Credit and the tax deduction for tuition and fees, which would terminate the tax assistance to all graduate and professional students and lifetime learners. Currently, the Federal Education Tax Credits and Deductions account for nearly 9% of the total Federal Financial Aid to graduate and professional students.1 Eliminating this aid would increase the financial burden on graduate and professional students and lifetime learners. At a time when technology and work environments are changing at such a rapid pace it is becoming necessary to pursue education and training as a professional, in addition to, and beyond, traditional college. This legislation would inhibit Americans from pursuing advanced education or acquiring new and enhanced job skills that serve to strengthen our nation’s workforce and the economy.2

**Another hit to Graduate-Professional Students**

H.R. 3393 would serve as yet another piece of legislation that makes pursuing a graduate-professional education more expensive and less of a reality for more Americans. The Budget Control Act of 2011 rendered graduate-professional students ineligible for subsidized federal student loans, thereby increasing interest payments on those loans by as much as $203/month. As a result of the Student Loan Certainty Act of 2013 (H.R. 1911) student loans were tied to the yield on the 10-yr treasury note and capped rates at 9.5% (Graduate loans), and 10.5% (Grad PLUS) loans. Interest rates for the current fiscal year are 6.21% and 7.21% for Graduate and PLUS loans, respectively, and are projected to increase to 7.27% and 8.27% in the next academic year.3 It has become increasingly difficult for graduate and professional students to shoulder the financial burden of the ever increasing costs of pursuing a graduate education.

**H.R. 3393 Will Hurt the Economy**

According to the Congressional Budget Office enacting H.R. 3393 would increase federal budget deficits by about $96.5 billion over the 2014-2024 period. Graduate and professional students will also be pushed further in debt. Considering, the average cumulative debt for a Master’s degree is $57,000; for a doctoral degree, $75,000; and for a professional degree, $146,0004 ; this legislation would add to an already large student debt bubble and discourage students from becoming active participants in the economy by delaying important purchases such as buying a home, starting a family, or starting a small business, post-graduation.

**We Seek Solutions**

We implore you to consider students’ input and to draft/support legislation that does not remove vital tax credits from graduate and professional students and that does not increase the cost of pursuing graduate-professional education.

Sincerely,

[Name]

[Title]

[Organization]

[University]

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1 <http://trends.collegeboard.org/sites/default/files/student-aid-2013-full-report-140108.pdf>

2<http://www.acenet.edu/news-room/Documents/Testimony-Senate-Finance-Higher-Ed-Tax-Code.pdf>

3 <http://www.cbo.gov/sites/default/files/cbofiles/attachments/44198-2014-04-StudentLoan.pdf>

4 <http://www.edvisors.com/media/files/studentaidpolicy/20140107-debt-at-graduation.pdf>