

January 30, 2024

Honorable Virginia Foxx, Chair  
Committee on Education &  
the Workforce  
U. S. House of Representatives  
Washington, DC 20515

Honorable Bobby Scott, Ranking Member  
Committee on Education &  
the Workforce  
U. S. House of Representatives  
Washington, DC 20515

Dear Chairwoman Foxx and Ranking Member Scott:

I am writing regarding Wednesday's markup of the College Cost Reduction Act and its potential impact on private, nonprofit colleges and universities.

The College Cost Reduction Act is a dramatic rewrite of the Higher Education Act and includes many controversial ideas—some positive and some of greater concern. Of most concern right now is that the bill, which will have a significant impact on all of higher education, was introduced only three weeks ago and we do not yet have a full understanding of how the components will affect campuses, students, and families but we believe the impacts will be devastating for our sector.

That said, we appreciate the sponsors' proposals to address the high costs of federal student loans for borrowers and to simplify repayment options. We also welcome the bill's acknowledgment of the cumulative impact of ever-expanding regulations on colleges and universities, as well as its recognition that time to degree matters and that students who complete on time should have the same level of access to Pell funding as those who take longer to complete.

However, in addition to the timing, there are many other proposals in the bill that threaten to narrow choice for students among American colleges and universities by disproportionately affecting private colleges. Among the most problematic proposals are the elimination of SEOG and Parent and Grad PLUS loans, as well as an institutional risk-sharing formula that favors public colleges over private institutions.

While public colleges and universities are an essential component of our nation's system of higher education, many students choose a private college because it is the best fit for them. Students should have this choice. Private institutions serve a comparable percentage of Pell and first-generation students, have the highest on-time graduation rates, and have basically the same median endowments as four-year public colleges and universities.

Our institutions include faith-based colleges, Historically Black Colleges and Universities, Minority-Serving Institutions, research universities, art and design colleges, traditional liberal arts and science institutions, women's colleges, work colleges, two-year colleges, and schools of law, medicine, engineering, business, and other professions.

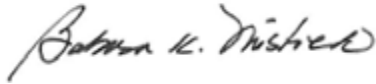
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We serve more than 5 million students attending 1,700 institutions in all 50 states and 393 congressional districts. The independent sector of higher education directly employs 1.2 million people and supports and sustains 3.4 million jobs, all of which generates \$99 billion in local, state, and federal tax revenue and \$652 billion in economic impact.

We are still studying the bill to determine its full impact, but we anticipate that the legislation will have dire consequences for our institutions and the students we serve, likely forcing some institutions to close.

I understand the desire to reduce student loan costs, limit student loan debt, and hold institutions accountable, and the bill has some positive aspects in all of these areas. But please do not rush to vote on this legislation until the public has had a chance to fully analyze it and assess how it would affect students, institutions, and local economies.

Sincerely,

A handwritten signature in cursive script that reads "Barbara K. Mistick".

Barbara K. Mistick, D.B.A.  
President

Cc: Members of Education & the Workforce Committee

