



# University of Pittsburgh

*Graduate & Professional Student Government  
Office of the President*

**Christopher Staten**  
President

825 William Pitt Union  
3959 Fifth Avenue  
Pittsburgh, PA 15260  
412-648-7844  
Email: [president.gpsg@pitt.edu](mailto:president.gpsg@pitt.edu)  
Website: [gpsg.pitt.edu](http://gpsg.pitt.edu)

February 12, 2018

Dear Pitt Graduate & Professional Students,

The **Higher Education Act (HEA)**, was originally created in 1965, signed by Lyndon Johnson, "to strengthen the educational resources of our colleges and universities and to provide financial assistance for students in postsecondary and higher education" (Pub L. No. 89-329). This Act governs federal higher education programs that impact issues around affordability, accreditation, oversight, and federal regulations. This law is reauthorized every few years and is currently due for another reauthorization.

On December 13th, 2017 the House Committee on Education and the Workforce approved **HR 4508**, the **Promoting Real Opportunity, Success, and Prosperity through Education (PROSPER)** act along party lines. The proposed legislation includes changes to federal financial aid for graduate students. In an attempt to improve and simplify student aid, it changes or eliminates many of the programs that graduate students rely on to finance their educations. The **Pitt Graduate & Professional Student Government** has serious concerns about the impacts of this proposal on behalf of current and future graduate students across the country. Below are the current revisions to HR 4508 that would greatly impact graduate students.

**HR 4508 eliminates the Public Service Loan Forgiveness (PSLF) Program for future borrowers.** The professions that qualify for PSLF comprise an estimated 25 percent of the work force and often require a graduate degree including social work, teaching, public defenders, librarians, urban planning, and many more.<sup>1</sup> While these fields have alternative career paths in the private sector, often the most positive societal impact comes from lower-wage work in the public sector. As of Q3, 2017, FedLoan Servicing reported a cumulative 739,719 self-identified PSLF borrowers.<sup>2</sup> PSLF is a program that many current and former graduate students rely on in planning on pursuing careers in public service. INCLUDE EXAMPLE?

**HR 4508 eliminates the GRAD PLUS / PARENT PLUS loan program and adds student loan borrowing limits.** Under the proposed act, graduate students won't be able to borrow up to cost of attendance with GRAD PLUS loans. The maximum federal loan would be \$28,500 annually and \$150,000 over the lifetime of a student (including undergraduate loans; health professions will have higher limits).

---

<sup>1</sup> US Government Accountability Office <https://www.gao.gov/assets/680/672136.pdf> (2015)

<sup>2</sup> Public Service Loan Forgiveness Employment Certification Forms Report <https://studentaid.ed.gov/sa/about/data-center/student/portfolio> (2017)

This will push graduate students in expensive programs to take private loans; private loans may require payments while in school, may have variable rates, will depend on credit record, and will not be interest tax deductible. Additionally, the proposed simplification leaves graduate students with only two repayment methods.

**HR 4508 eliminates graduate student eligibility for Federal Work Study.** This program benefits many graduate and professional students with additional means to fund parts of their graduate education. This program's elimination adds barriers to achieving a graduate degree. Additionally, the PROSPER act reduces support for several fellowship programs including the Graduate Assistance in Areas of National Need program.

HR 4508 does contain positive elements that GPSG hopes to see in a final HEA reauthorization. A few that could positively impact for graduate students are the following.

- The elimination of the loan origination fee for student loans.
- The cap on total interest accrued on student loans regardless the method of repayment.
- Simplification of the federal student aid application process.

Though other provisions could have a positive impact on graduate education, it is hard to predict the impact of all the proposed changes to education policy.

GPSG calls on its members and their institutions to let their Representatives know that they must provide affordable and accessible graduate study during their HEA reauthorization process. The Senate Health, Education, Labor and Pensions (HELP) committee is currently in the early stages of the HEA reauthorization process. Reaching out to the HELP committee and telling them that any changes to HEA must consider the graduate student impact, and that HR 4508 makes postsecondary education harder to achieve. The changes to the PSLF and Grad PLUS program being of higher concern.

All the best,

**Christopher Staten**  
President  
President.gpsg@pitt.edu