



December 12, 2017

The Honorable Virginia Foxx
Chair
Education and Workforce Committee
U.S House of Representatives
2176 Rayburn House Office Building
Washington, DC 20515

The Honorable Bobby Scott
Ranking Member
Education and Workforce Committee
U.S. House of Representatives
2101 Rayburn House Office Building
Washington, DC 20515

Dear Chairwoman Foxx and Ranking Member Scott,

On behalf of the American Association of Colleges of Nursing (AACN), we write to you regarding the Promoting Real Opportunity, Success, and Prosperity through Education and Reform (PROSPER) Act (H.R. 4508). As the national voice for academic nursing, AACN represents 810 schools of nursing comprising baccalaureate and graduate programs that educate nearly 500,000 students and employ more than 45,000 full-time faculty. We appreciate that the Committee is taking initial, necessary steps towards reauthorizing the Higher Education Act and offer our initial perspectives, both in support and out of concern, on some of the provisions included in the bill.

AACN, alongside many of its higher education peers, are supportive of policies that promote affordability, accessibility, accountability and transparency, while upholding the delivery of high-quality education. These principles are particularly germane as we continue to face the challenge of preparing the next generation of nurses. According to the Bureau of Labor Statistics, employment growth in the Registered Nurse (RN) workforce is expected to grow by 15% by year 2026,¹ and employment growth of certain Advanced Practice Registered Nurse (APRNs, including nurse practitioners, certified registered nurse anesthetists, and certified nurse-midwives) workforce is expected to increase by 31% (it should be noted that the projected average growth for all occupations is 7%).² Federal student loans have and will continue to make a tremendous impact on the profession's ability to meet these workforce demands.

Moreover, these trends require a sustainable approach within the higher education community to maximize the potential of our nation's graduates as contributing members to our economy. For this to occur, AACN believes that reauthorization of the Higher Education Act must proceed with thoughtful deliberation that includes stakeholder feedback from students and their families, faculty, and higher education institutions.

¹ U.S. Bureau of Labor Statistics. (2017). Occupational Outlook Handbook: Registered Nurses. Retrieved from: <https://www.bls.gov/ooh/healthcare/registered-nurses.htm>.

² U.S. Bureau of Labor Statistics. (2017). Occupational Outlook Handbook: Nurse Anesthetists, Nurse Midwives, and Nurse Practitioners. Retrieved from: <https://www.bls.gov/ooh/healthcare/nurse-anesthetists-nurse-midwives-and-nurse-practitioners.htm>.

THE VOICE OF ACADEMIC NURSING

Given the Committee's condensed timeline in working to advance H.R. 4508 through the legislative process, AACN provides our initial feedback as we continue to analyze the full impact this bill would have on our students and programs.

Regulations Impacting Institutions and Students

AACN was encouraged to see that recommendations from the bipartisan Task Force on Federal Regulation of Higher Education report³ were incorporated into the PROSPER Act, which aim to streamline and/or reduce institutional regulatory burden. AACN is reviewing certain aspects including repealing the definition of a "credit hour" and regulation surrounding state authorization.

Student Grants, Loans, and Repayment Options

We believe that reauthorizing the Pell Grant program through Fiscal Year (FY) 2024 is worthy, but do not believe this should be at the expense of other federal grants including the Federal Supplemental Educational Opportunity Grant Program, which assists students most in need, many of whom are also Pell Grant awardees.

On face value, AACN is concerned about the potential outcomes of the proposed phase out of the Direct Loan Program and the winding down of the Perkins Loan Program, in exchange for the new Federal ONE Loan Program, that would be effective July 1, 2019. The ONE Loan Program would only be offered as unsubsidized, thereby increasing the cost of interest to students. We believe that eliminating loan original fees is a modest step in the right direction to curb overall costs to students and families, but are concerned about what a single option loan program would mean for student and parent borrowers.

We are also reviewing the potential impact of the bill's proposed changes for borrowing caps. Current loan caps for undergraduate students would be raised. The caps for graduate students would also be raised, however capping the Grad Plus Program (which can be utilized to borrow up to the cost of attendance), may veer students whose education exceeds the imposed borrowing caps to take out private loans for the remaining balance (which typically come with higher interest rates). Currently, there are nearly 159,000 graduate students within AACN's membership. These students are tomorrow's APRNs, faculty, researchers, and executives. In an AACN survey of graduate nursing students, seventy-three percent of these future professionals did not receive any institutional scholarships or grants, further emphasizing the need for a variety of federal loan options.⁴

AACN is also considering how the bill's repayment options would impact students. According to AACN's survey, half of all respondents reported that the ability to repay their loans was their biggest concern.⁴ H.R. 4508 would give graduates just two options of repaying their loans: a current Standard 10-Year Plan, or an income-based repayment program. With nearly 60% of

³ Task Force on Federal Regulation of Higher Education. (2015). *Recalibrating regulation of colleges and universities*. Retrieved from: <http://www.acenet.edu/news-room/Documents/Higher-Education-Regulations-Task-Force-Report.pdf>.

⁴ American Association of Colleges of Nursing. (2017). *The numbers behind the degree: financing graduate nursing education*. Retrieved from: http://www.aacnnursing.org/Portals/42/Policy/PDF/Debt_Report.pdf.

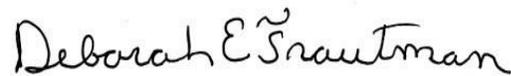
graduate nursing students indicating they intend to utilize the Public Service Loan Forgiveness (PSLF) program,⁴ eliminating PSLF and other loan repayment options jeopardizes the ability for more highly-educated professionals to enter into the public sector. We urge the Committee to reconsider elimination of the PSLF as we believe its impact on the nursing workforce and our patients would be significant and would result in unintended consequences.

We appreciate the opportunity to share with you our priorities for pending reauthorization of the Higher Education Act and look forward to working with you and your colleagues on this important endeavor. If AACN can be of assistance to you or your staff, please do not hesitate to our Director of Government Affairs, Lauren Inouye, at Linouye@aacnnursing.org or (202)-463-6930, ext. 271.

Sincerely,



Juliann G. Sebastian, PhD, RN, FAAN
AACN Board Chair



Deborah E. Trautman, PhD, RN, FAAN
President and Chief Executive Officer