January 30, 2024

The Honorable Mark DeSaulnier  
Member, House Education and the Workforce Committee  
Cannon House Office Building 503  
Washington, D.C. 20515

Subject: AICCU Concerns with H.R. 6951 – The College Cost Reduction Act

Dear Congressman DeSaulnier:

On behalf of the members of the Association of Independent California Colleges and Universities (AICCU), I write to express our concerns with H.R. 6951, the College Cost Reduction Act, by Congresswoman Virginia Foxx (NC-5). The bill is set to be marked up in the Education and the Workforce Committee on Wednesday, January 31, but, as it dramatically rewrites many aspects of the Higher Education Act of 1965, it deserves to be vetted and discussed much more thoroughly.

AICCU is the organizational voice for independent, nonprofit higher education institutions in California. We count 90 colleges and universities as members, ranging from large research institutions to regional-serving institutions, faith-based universities to art and design schools. This includes St. Mary’s College of California, located in your district. Together, the independent higher education serves nearly 189,000 undergraduate students, including 43,000 Pell Grant recipients.

In addition to the rushed timeframe, there are several provisions in the bill that will directly harm students and institutions. The bill seeks to eliminate the Supplemental Education Opportunities Grant (SEOG), which would cause nearly 27,000 students at nonprofit institutions to lose $19.5 million in much-needed federal aid. (In California, 282,000 students, at both public and private institutions, will lose $108.5 million in aid.)

The bill also seeks to eliminate the Parent PLUS and Grad PLUS loan programs. At a time when there is so much discussion about student debt, eliminating these two loan programs will push students to borrow at higher costs. This can impact students’ interest in graduate degrees, thereby threatening California’s key workforce needs. Today, Independent California Colleges and Universities educate 45% of new teachers toward credentials, 50% of new nurses, 91% of licensed mental health professionals, and 95% of physician assistants. Maintaining flexible loan programs is a critical component of financial aid packages.
The bill would also limit the maximum Pell Grant award to the median cost of the program of study a student is enrolled in, regardless of the maximum award amount for that award year. The cost of college calculation does not account for sector differences and would thus be a disadvantage for nonprofit institutions, which would be measured in the same grouping as public colleges, despite the lack of state support.

There are certainly parts of the College Cost Reduction Act that we view as positive. The bill reduces the burden of new regulations over the last several years; implements the Pell Plus program to encourage on-time graduation by students; and requires the Secretary of Education to develop standardized a financial aid award letter.

However, given the size and scope of the bill and how fast it is moving within the process, we believe it is more important to pause the bill to have more dialogue and understanding about the impacts of its many provisions. We would support pulling out the various aspects that the broader higher education community can broadly get behind and moving them separately.

Thank you for your consideration and I hope you can raise our concerns with H.R. 6951 when the bill is heard on January 31. Thank you for your continued service on behalf of California residents.

Sincerely

Kristen F. Soares