



June 21, 2016

Honorable John Kline  
Chairman  
Committee on Education and  
the Workforce  
United States House of Representatives  
2181 Rayburn House Office Building  
Washington, DC 20515

Honorable Bobby Scott  
Ranking Member  
Committee on Education and  
the Workforce  
United States House of Representatives  
2101 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Kline and Ranking Member Scott:

As President of the Council of Graduate Schools and on behalf of the CGS membership of roughly 500 universities that annually award the vast majority of U.S. master's degrees and research doctorates, I am writing regarding H.R. 3179, which your committee will consider on Wednesday, June 22, 2016.

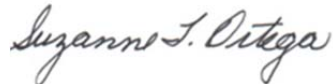
We are encouraged that H.R. 3179, the "*Empowering Students Through Enhanced Financial Counseling Act*," acknowledges that as students progress through postsecondary education, circumstances change, and their need for information regarding their student financial assistance changes as well. This is particularly evident when students transition from undergraduate to graduate education. Unlike federal student loans for undergraduate education, graduate student loans accrue interest while students pursue their education, and it is important for graduate student borrowers to be aware of that. Graduate students need to understand that there may be a difference between what they are eligible to borrow and what they need to borrow, which can have a cumulative impact on the total amount they will have to repay. Additionally, loans for graduate students carry higher interest rates and higher origination fees than subsidized loans, for which they are not eligible.

Current practice is that loan counseling is only required when a student first takes out a Direct Loan. As a result, graduate students are not likely to receive information about these changes because they have already taken out a student loan as an undergraduate. CGS learned through participating in a multi-year project, *Enhancing Student Financial Education*, with thirty-four U.S. universities and TIAA, that master's and doctoral students have unique financial information needs, including loan repayment and debt management information. We believe that one way to address this need is, at a minimum, to provide entrance loan counseling for all first-time graduate students. However, we also believe that at each transition point in a student's progression through postsecondary education, there is a need for loan counseling that reflects the change in their circumstances and the possible differences in the types of assistance for which they are eligible.

CGS recognizes that many institutions already feel overburdened by the regulatory requirements associated with federal student financial assistance. However with the increasing national concern about record student debt levels and over-borrowing, we believe targeted loan counseling, such as when students transition from undergraduate to graduate school, should be considered.

We appreciate the committee's interest in helping students and their families make informed decisions regarding the financing of their education, and look forward to working with the committee as the bill moves through the legislative process.

Sincerely,

A handwritten signature in cursive script that reads "Suzanne T. Ortega".

Suzanne T. Ortega  
President