

July 9, 2014

The Honorable John Kline  
Chairman  
House Committee on Education and  
the Workforce  
2181 Rayburn House Office Building  
Washington, DC 20515

The Honorable George Miller  
Ranking Member  
House Committee on Education and  
the Workforce  
2101 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Kline and Ranking Member Miller:

The National Council of Higher Education Resources (NCHER), representing state-based and non-profit organizations that assist students, borrowers, parents, and families access, manage, and pay for the costs of postsecondary education, is pleased to express our support for H.R. 4983, the “Strengthening Transparency in Higher Education Act” and H.R. 4984, the “Empowering Students through Enhanced Financial Counseling Act.”

As you know, college access is at the heart of the federal government’s investment in higher education. While it’s more important than ever for students to select a college that will provide them with a high-quality education, today’s postsecondary education system fails to provide accurate or easy-to-understand information to all students, focusing instead on first-time, full-time attendees who make up a decreasing proportion of the student population. The current Higher Education Act also focuses institutional reporting exclusively on the average annual amount of Federal student loans provided to undergraduate students. H.R. 4983 will establish a new College Dashboard website that provides assistance to all students - traditional and non-traditional/contemporary students - so that they can make better-informed decisions about the importance of their higher education decisions. It also requires colleges to report on the average loan debt incurred by their students and retains the requirement that colleges and universities report on their respective cohort default rates, two important elements that should provide a more accurate snapshot of institutional quality.

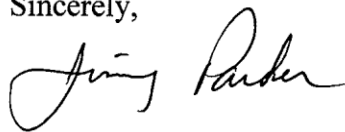
College affordability is one of the most important issues on the minds of our nation’s students and families. For almost 50 years, NCHER members have offered intensive and personalized outreach programs to students and their families, so that they understand the education finance options available to them. As part of their public service missions, our members have developed customized, localized programs that help families learn more about financing postsecondary education and help student borrowers successfully repay their loans avoid default, and protect their credit. An educated consumer makes smarter borrowing choices; however, today’s entrance

and exit counseling provides limited help to students struggling to manage their student loan debt. H.R. 4984 will require institutions of higher education to provide annual, in-person or online counseling so that students better understand their financial obligations, including their outstanding loan balance and anticipated monthly payment under the various federal repayment options, and will require borrowers to affirmatively accept their loans. These important changes, as well as the revised exit and new Pell Grant counseling requirements, should assist students in better understanding, accessing, planning and paying for the costs of postsecondary education.

While NCHER supports H.R. 4983 and H.R. 4984, we submit two comments for consideration. First, regarding H.R. 4983, we believe the Committee should require institutions to report on student repayment rates, in addition to average loan debt and cohort default rates, so that students have information not only on the amount of debt incurred but their ability to pay back their investment over time. Second, regarding H.R. 4984, we believe the Committee should encourage schools - solely or in partnership with organizations with demonstrated expertise - to customize student loan counseling to meet the needs of their diverse student populations, including low-income, minority, and at-risk students, instead of relying completely on the Department of Education's online counseling tool. The collective experience from decades of counseling students suggests that the most effective means of assistance is having conversations with students and their families to answer their questions and tailor information to their unique circumstances. We look forward to working with the Committee as the legislation moves through the legislative process.

Again, we are pleased to support the "Strengthening Transparency in Higher Education Act" and the "Empowering Students through Enhanced Financial Counseling Act." These important bills are steps in the right direction that will help ensure that students and families have better access to more accurate and timely information in order to successfully plan and pay for college. If you have questions, please feel free to reach out to me or Sean Devereey, Vice President for Government Relations, at [Sdevereey@ncher.us](mailto:Sdevereey@ncher.us) or (202) 822-2106.

Sincerely,



Jimmy Parker  
Chair, Board of Directors

cc: Members, House Committee on Education and the Workforce