



Coalition of Higher Education Assistance Organizations
777 Sixth Street N.W., Suite 510
Washington, D.C. 20005-3586

February 7, 2020

The Honorable Bobby Scott
Chairman
House Education and Labor Committee
2176 Rayburn House Office Building
Washington, DC 20515

The Honorable Virginia Foxx
Ranking Member
House Education and Labor Committee
2101 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Scott and Ranking Member Foxx,

We are writing to ask you to include a local campus based servicing option in the new Direct Perkins Loans program created by the College Affordability Act (CAA). We believe a robust, restored, and improved Perkins Loan program is a vitally important component of the Higher Education Act. For 60 years, Perkins Loans proved to be one of the most effective and efficient public-private partnerships in the Federal government with local control, shared responsibility, and most importantly helping students most in need.

Unfortunately, the CAA takes away management of the new Perkins Loan program from campuses and instead puts the Direct Loan servicing contractors in charge of all loan servicing. The local school based servicing of Perkins Loans, a signature piece of the program for decades, has resulted in better repayment rates and improved financial literacy, and it allows schools to focus more on student and borrower well-being.

We believe a campus based servicing option with reasonable criteria for eligibility is critical for several reasons:

1. Schools provide counselling, mentoring, and support to students for student loans and other financial aid issues beyond Perkins.
2. Borrowers are much more likely to accept communications from their schools than from a third party vendor.
3. Borrowers are more trusting of their schools, and when having difficulties will work with their institutions to help get back on track.
4. Campus based servicing for Perkins Loans helps to create an infrastructure that allows schools, particularly large institutions, to service other types of loans as well.
5. Individual schools are uniquely able to understand their students' and former students' needs and can take a holistic approach, especially in helping students stay in school or return to complete their degree.

We greatly appreciate that the CAA contains a new Perkins Loan program, and we know how helpful it will be to ensuring all students have the resources they need to complete a post-secondary degree. As the HEA reauthorization process moves forward, we strongly urge you to include a provision that allows campus based servicing of Perkins Loans to remain an option for schools.

Thank you for your consideration.

Sincerely,

The Coalition of Higher Education Assistance Organizations (COHEAO)
American Council on Education
American Association of Colleges of Nursing
American Association of Collegiate Registrars and Admissions Officers
American Dental Education Association
Arkansas State University
Arkansas State University
Association of Governing Boards of Universities and Colleges
Association of Governing Boards of Universities and Colleges (AGB)
Association of Jesuit Colleges and Universities
Augsburg University
Augustana College
Augustana University
Baylor College of Medicine
Benedictine University
Biola University
Boston College
Butler University
California Lutheran University
Colorado State University
Concordia College
Coppin State University
Council of Independent Colleges
Delta State University
D'Youville College
Fairleigh Dickinson University
Fashion Institute of Design and Marketing
Fort Valley State University
Franklin & Marshall College
Hampton University
Hobart and William Smith Colleges
Illinois Institute of Technology
John Carroll University
Kansas City Art Institute
La Roche University
Lakeland University
Los Angeles Department of Health Services

Manhattan.College
Marist College
Marquette University
Maryville University
Meharry Medical College
Miami Dade College
Minnesota Collection Network
Minneapolis College of Art and Design
Mohawk Valley Community College
Monmouth University
Morehead State University
National Association of Student Financial Aid Administrators (NASFAA)
NASPA-Student Affairs Administrators in Higher Education
National Association of College and University Business Officers
Niagara University
Point Loma Nazarene University
Reed College
Regis University
Rider university
School of the Art Institute of Chicago
Seattle Pacific University
Society for College and University Planning
South Carolina State University
South Dakota School of Mines & Technology
Southern Adventist University
St. Olaf College
Temple University
The Evergreen State College
The Ohio State University
Touro College and University System
Trinity University
Tulane University
University of California Los Angeles
University of Kansas Medical Center
Universidad del Sagrado Corazon
University of Dayton
University of Denver
University of Evansville
University of Hartford
University of Idaho
University of Minnesota Duluth
University of Nebraska Omaha
University of Richmond
University of South Alabama
University of Utah
University of Wisconsin-Madison
University of Wisconsin-Platteville

University of Health Science Center at San Antonio
Valparaiso University
Weber State University
Wentworth Institute of Technology
Western Kentucky University
Western Michigan University
Widener University
Yeshiva University