The Torch

September 11, 2015

A bi-weekly report from the Coalition of Higher Education Assistance Organizations

Top News

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- **Rep. Hensarling Sends Letter to Secretary Duncan Regarding ED's Proposal to Amend Title IV Disbursement Rules**
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White House & Administration

- **Obama Joins Duncan on Bus Tour and Announces Free College Advisory Board**
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- **New Paper Proposes Federal Risk-Sharing Policy**
  A new paper by Robert Kelchen, an Assistant Professor at Seton Hall University outlines a new federal risk-sharing policy, an idea that has caught the attention of many in Washington recently.

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Top News

Pocan and Slaughter Host Perkins Loan Program Press Conference at Capitol

On September 9, Representatives Mark Pocan (D-WI) and Louise Slaughter (D-NY) hosted a press conference on the Southeast Capitol lawn to call for continuation of the Perkins Loan Program. Congresswoman Slaughter praised the revolving nature of the program and said that higher education would not be possible for 5,000+ students in her district without the assistance of Perkins.

It would be "beyond foolish," Slaughter argued, to allow a program to expire that is so essential to college affordability and that meets congressional demand for "skin in the game" in a sustainable and proven fashion. Paraphrasing poet William Butler Yeats, Slaughter contended that support for Perkins does not "fill the pail," but rather "lights a fire," enabling students from middle and low income backgrounds to pursue quality postsecondary opportunities.

Congressman Pocan spoke of the benefit that Perkins has afforded to nearly 30,000 Wisconsans, and argued that the continuation of Perkins is an issue that "should have bipartisan support" in Congress as a tool to increase access for students who otherwise would be unable to fund their education.

The program's favorable loan terms and cancellation benefits position it as a wise investment in our nation's students, the congressman argued. Pocan highlighted the growing support in Congress, noting the resolution, H.Res. 294, expressing support for continuation of the program that is gaining momentum in the House.

COHEAO played an important role in helping organize the press conference with the Congressional offices. Also in attendance were students who are current Perkins recipients from George Washington University. They shared the significant role that Perkins loans played in their ability to achieve a quality college education that will open professional opportunities for them. Justin Draeger, President and CEO of the National Association of Student Financial Aid Administrators (NASFAA), Jon Fansmith of the American Council on Education and Cyndy Littlefield of the Association of Jesuit Colleges and Universities (AJCU) reinforced Representatives Pocan and Slaughter's call to Congress to continue the Perkins Loan Program and maintain the program's vital supports for students.

With Deadline Approaching and Congress Returning, Momentum Builds in Media to Save the Perkins Loan Program

On Tuesday, Congress returned from a month-long summer recess and faced several key decisions and quickly approaching deadlines. Congress will likely not pass any appropriations bills before the September 30 deadline. The expectation is that they will need to pass a continuing resolution (CR) to keep the government from another partial shutdown on October 1. Hill staff are concerned that conservatives will try to stop a CR from passing unless federal funding of Planned Parenthood is deleted.

Another piece of legislation needing attention by September 30 is an extension of the Higher Education Act (HEA). It is obvious a full HEA reauthorization bill will not make it to the President's desk by September 30, but an extension of the authorization of programs has traditionally been required to keep the programs operating. However, key staff on the HELP and Education and the Workforce Committees are currently researching whether an extension of all programs will be necessary.

Whether it is an extension of the Higher Education Act (HEA), the CR, or another vehicle, Perkins Loan advocates are working diligently to secure passage of an extension for the program by the September 30 deadline. There is limited opposition to the extension of Perkins Loans, save for one issue—the cost. The Congressional Budget Office (CBO) indicates—despite the fact it has not received any sort of appropriation since 2009—that a one-year extension of Perkins Loans will cost the government millions of dollars over 10 years.

Some key legislators, such as Senate HELP Committee Chairman Lamar Alexander (R-TN), may also see the approaching expiration deadline as an opportunity to eliminate the program in advance of their efforts to "simplify" the Title IV Student Aid programs. Of course, by pushing for the elimination of Perkins before HEA reauthorization to advance their simplification cause, Congressional Republicans run the risk of providing evidence to their Democratic counterparts that "simplify" is simply code for eliminating programs.

In response to the pending deadline, there have been several efforts to draw attention to Perkins Loans, most notably H. Res 294 from Reps. Luke Messer (R-IN) and Mark Pocan (D-WI) and the letter organized by Rep. Louise Slaughter (D-NY). The letter and resolution are both bipartisan, carrying significant Republican support, and the potential for the program to expire has begun to catch the attention of national, regional, and local media. Slaughter sent her letter with 95 signatures from fellow House of Representatives members to Chairman John Kline (R-MN) and Ranking Democrat Bobby Scott (D-VA) of the House Education and the Workforce Committee last week.

Several media outlets have recently published articles on the future of the Perkins Loan program. A blog post authored by National Association of Student Financial Aid Administrators (NASFAA) president Justin Draeger, argues Higher Education Act reauthorization discussions have brought about increased support for "skin in the game" legislation and that the Perkins Loans program is actually the only financial risk-sharing student aid program that exists today.

Draeger writes, "Some have justified the elimination of Perkins by arguing that having multiple federal loan programs creates too much complexity for students. That may be, but that conversation is best addressed in a comprehensive Higher Education Act reauthorization bill, which clearly does not fit into the 2015 legislative docket. Failure to renew the Federal Perkins Loan Program until these vital

conversations can happen in the context of a comprehensive bill not only undermines the push for accountability, but also undercuts efforts to improve college affordability, leaving thousands of future students with an average $2,000 gap in their student aid packages."

An *Inside Higher Ed* article notes that the Congressional Budget Office has calculated that the cost of renewing the program would be around $500 million. The author provides arguments from both sides of the debate. The following is an excerpt from the trade publication:

> *Some advocates for the Perkins program called that estimate misleading because it is based on the government "losing" out on revenue it would receive if the program were to be dismantled and colleges would have to return all of the federal funds they currently use to make the loans. Continuing the program wouldn't actually cost the government money, they said, noting that Congress hasn't chipped in any money to the Perkins program since 2004.*

Furthermore, local news stations are also picking up the Perkins story. *Valley News Live*, a station covering the Red River Valley area in the Midwest, aired a story on Wednesday evening on the fight for Perkins reauthorization and even sent a reporter to interview Rep. Mark Pocan (R-WI) after the Perkins press conference held at the Capitol on Wednesday.

Pocan tells the reporter, "On Capitol Hill, not much moves these days and this is just one of those things. I think the fact that there is bipartisan support puts us in a better place than a lot of other issues, but it's something that's really important to get done not just for UW Madison, but Beloit College, the rest of the UW system, the Madison College, and others who can benefit from the program."

Last week, Representative Louise Slaughter (D-NY) held an event where she announced she would be sending a bipartisan letter to the leaders of the House Committee on Education and the Workforce—along with 94 of her colleagues—urging immediate action to save the Perkins Loan Program before it expires. In support of Slaughter's effort, presidents from local universities joined Slaughter in signing a letter to the committee. Slaughter indicated she planned to deliver these letters this week when Congress returns from the August Recess.

Make sure to follow Save Perkins Now on Facebook to stay up to date on all Perkins Loans related news.

- For Draeger's blog on *The Hill*, see: http://thehill.com/blogs/congress-blog/education/252052-calls-for-skin-in-the-game-in-higher-education-ignore-an
- For coverage from *Inside Higher Ed*, see: https://www.insidehighered.com/news/2015/09/03/colleges-fight-save-expiring-federal-loan-program-some-republicans-eye-its-demise
- For the *Valley News Live* story, see: http://www.valleynewslive.com/home/headlines/Perkins-Loan-Program-Is-On-The-Chopping-Block-326135421.html
- For a press release from Rep. Slaughter, see: https://louise.house.gov/media-center/press-releases/slaughter-university-presidents-urge-congress-act-expiring-student-loan

COHEAO

Perkins Advocates, It is Time to Involve the President's Office on Campus

As detailed in our "Top News" section above, the deadline for the extension of the Perkins Loan Program is quickly approaching. If you have yet to do so, and know that Perkins is important to your college or university, it is time to request advocacy support from the "higher ups" at your institution.

We greatly appreciate the support of COHEAO members, and we will continue to work our "ground game" of continued calls, which are having a significant impact. However, time is of the essence, and it is amazing the level of impact a call or formal communication from college president to their Representatives and Senators can have.

The Perkins Loan issue may be tied up in much broader debates, such as keeping the government funded, and October 1 is not an absolute deadline—even in the event Congress does not extend the program by October 1, there may be ways to revive the program, particularly if it can be extended shortly thereafter. Nevertheless, there is absolutely no doubt it is crunch time for Perkins Loan advocacy and we need to call in the reinforcements.

Several of you have received individual contacts from COHEAO and we greatly appreciate your response. Even if you have not been contacted directly by COHEAO, we are encouraging all institutional members to do their best to inform the president's office (or, by extension, the government relations office) of the current situation and the impact of Perkins on our campus. If you have any questions on involving the president's office at your campus or university, please make use of the resources on the COHEAO Perkins Loan advocacy page and please do not hesitate to contact the COHEAO staff.

The COHEAO Perkins Loan advocacy page is available online: http://www.coheao.com/advocacy/the-future-of-perkins-loans-what-you-can-do-to-help/

Sign Up Now for September 24 Webinar, "The FCC's Recent Rulings on the TCPA and the Impact on Campus Financial Services"

COHEAO Is pleased to announce its next webinar, "The FCC's Recent Rulings on the Telephone Consumer Protection Act and the Impact on Campus Financial Services." This webinar is set for **September 24 at 2 PM ET** and will feature insights from Mark Brennan of Hogan Lovells and Bob Perrin of Williams and Fudge. Register today!

The Federal Communications Commission recently ruled on multiple petitions relating to the Telephone Consumer Protection Act (TCPA) and business attempts to contact consumers on their mobile phones. This informative COHEAO webinar will help you understand the recent FCC TCPA ruling and what it means for your campus or organizations, current restrictions on contacting borrowers and students on their mobile communication devices, as well as a brief discussion of the effort to bring this law into the 21st century

Mark Brennan is a partner in the global communications group at Hogan Lovells, where he focuses on consumer protection and new technologies. He leads the firm's Telephone Consumer Protection Act policy and regulatory compliance practice and works closely with the firm's class action litigation team on TCPA defense and other cases. In addition to his TCPA and telemarketing experience, Mark advises clients on a variety of consumer protection matters, including federal and state data privacy and security issues; FDCPA, E-SIGN, and e-commerce requirements; and other communications issues.

Bob Perrin is the CEO of Williams and Fudge, Inc. and is Past President for COHEAO. He currently leads the COHEAO TCPA Working Group. Since 1980, Bob has been directly involved in the daily operations of student loan management and has served as a negotiator for institutional third party servicers in past negotiated rulemaking sessions at the Department of Education. Bob often speaks at national conferences as well as with federal agencies, such as the Departments of Education and Health & Human Services and the Federal Communications Commission, on issues facing loan administrators.

Join us at 2 p.m. ET on Thursday, September 24th!

Reminder to COHEAO Institutional Members: Please Send Dues Payments

On May 5, institutional membership dues invoices were sent out to the primary account holders for each institutional membership. Dues may be paid by logging into your COHEAO account: navigate to "Manage Profile," select "Invoices" under Invoicing, Payments & History. On this page, be sure to select the dues tab and your open invoice should appear with an option to submit payment.

If you are the primary point of contact for your college or university's COHEAO membership and you did not receive a notice of an open dues invoice please contact Michelle Cravez at mcravez@wpllc.net. Feel free to reach out to Michelle if you have any other questions pertaining to membership dues, how to submit payment or view open invoices. Institutional membership dues were due by **July 1.**

Congress

House Education Chairman John Kline Not Seeking Re-Election

Representative John Kline (R-MN), chairman of the House Education and Workforce Committee, announced he would not be seeking re-election next term. Kline has served his country honorably and ably for decades in various capacities, including piloting Marine One, the president's helicopter. The congressman will have served seven terms when he leaves next year.

Kline's departure was not completely unexpected as he is in a politically competitive district and is term limited from continuing as chairman of Education and the Workforce. It would be a while before he could move into another chairmanship slot, so he would have had to step back to a lesser role if he stayed on.

Next in line in seniority on the Committee is Joe Wilson of South Carolina followed by Higher Education Subcommittee Chair Virginia Foxx of North Carolina. Wilson is a senior member of the Armed Services Committee, where he holds an important subcommittee chair. He has always seemed more focused on that committee than Education the Workforce, in contrast to Dr. Foxx, who is a former administrator and professor at a community college and at Appalachian State University. Kline has said he will not indicate a preference for a successor, instead suggesting Foxx, Wilson, and Rep. Phil Roe (R-TN) would all do well with the gavel.

Foxx's spokesperson said she was interested in the position, and it was thought she would get the post for this Congress if Kline hadn't gotten a waiver from the Republican leadership to serve another term in the chair. There will be lots of speculation, but the next chairman/woman likely won't be known until next fall at the earliest.

For more information, see: http://blogs.edweek.org/edweek/campaign-k-12/2015/09/rep_john_kline_wont_seek_re-el.html

Rep. Hensarling Sends Letter to Secretary Duncan Regarding ED's Proposal to Amend Title IV Disbursement Rules

Representative Jeb Hensarling (R-TX), Chairman of the House Financial Services Committee, sent a letter to Secretary of Education Arne Duncan outlining his concerns with the Department of Education's proposal to amend its Title IV disbursement rules.

Hensarling writes that the Department's proposal would limit access to low-cost financial services on college campuses and will increase costs associated with implementing the proposal. Furthermore, the Chairman argues that bank regulators "already enforce a well-established banking regulatory structure that oversees financial service providers." He explains that the additional regulations will lead to "inconsistent and duplicative compliance regimes for financial institutions."

Hensarling concludes the letter by asking Secretary Duncan to "withdraw the proposed rule, consult with the prudential banking regulators, study the unintended effects of the proposal on student access to affordable financial services, and provide for a new public comment period before finalizing any amendments to the Department's cash management regulations."

A copy of the letter is attached to this edition.

White House & Administration

Obama Joins Duncan on Bus Tour and Announces Free College Advisory Board

President Obama joined Education Secretary Arne Duncan on his back to school bus tour and spoke with Second Lady, Dr. Jill Biden , at Macomb Community College in Warren, MI. Obama promoted his America's College Promise plan to offer free two-year community college. The President also announced $175 million in Labor Department "American Apprenticeship Grants" to 46 public-private partnerships to help expand apprenticeship programs and rebuild the workforce.

The Administration's America's College Promise initiative has gone nowhere in Congress, and has little chance of advancing. On the bus with Dr. Biden and Secretary Duncan, Obama said that six states and communities have developed similar programs and that legislation has been introduced in more than 10 states to provide free community college.

The President announced a new, independent, College Promise Advisory Board that will work with several organizations to recruit support and build momentum around the idea. Dr. Jill Biden will serve as the chair and former Wyoming Governor Jim Geringer will serve as vice chair.

The White House released a fact sheet before the President's speech on access to education and job training opportunities.

- For the White House Fact Sheet, see: https://www.whitehouse.gov/the-press-office/2015/09/09/fact-sheet-providing-more-americans-affordable-access-education-and-job
- For more information, see: http://news.yahoo.com/obama-trying-boost-free-community-college-plan-100258591--politics.html

ED Provides New Data on Corinthian College Defense to Repayment Claims

The Department of Education provided information last week on the latest developments stemming from the bankruptcy of Corinthian Colleges this year. The Department announced that it is forgiving thousands of loans to former Corinthian students under the closed school forgiveness provision in the Higher Education Act.

A report released last Thursday indicates that more than 12,000 students have asked the federal government to forgive their loans. The Department has received 4,140 borrower defense claims and 7,815 closed school claims. Of the latter figure, 3,128 claims have been approved, an estimated $40 million in loans. The rest of the claims are still up for review.

As many as 350,000 students have attended Corinthian schools in the past five years. If all these former students applied for and received the debt relief, the cost alone could be as much as $3.5 billion.

For the Department of Education's report, see: http://www2.ed.gov/documents/press-releases/report-special-master-borrower-defense-1.pdf

New IFAP and *Federal Register* Announcements

Recent additions to the Information for Financial Aid Professionals (IFAP) website have been made that may be of interest to COHEAO members.

FSA IFAP Announcements:

- Dear Colleague Letter on FSA Coach- 2015-2016 Basic Training for Domestic and Foreign Schools
- Loan Servicing Information-Performance Results and First Period 2015-2016 Allocation Information
- COD Computer-Based Training - September 2015 Updates
- OUTAGE ALERT - Federal Student Aid Web Site and System Outages September 12 and 13, 2015

Industry

Chamber of Commerce Suing FCC Over New FCC Robocall Provisions

The US Chamber of Commerce is challenging the Federal Communications Commission's (FCC) new order approved in June further restricting communication to a mobile phone with an automated dialing system, or "autodialers." The Chamber said the ruling will "accelerate abusive class action lawsuits against businesses under the Telephone Consumer Protection Act (TCPA)."

The trade group filing with the U.S. Court of Appeals for the D.C. circuit states, "The Declaratory Ruling and Order's new, overbroad, and atextual interpretations of the TCPA will expose legitimate businesses across the country — of all sizes and types — to liability for simply attempting in good faith to communicate with customers who previously provided valid consent to be contacted… Because the TCPA is increasingly the basis for class action [lawsuits] that seek crippling damages ... these results are particularly harmful for the Chamber's members."

The Chamber is the latest of many groups who have filed legal challenges to the new provisions. The complaint argues that the rulings expanded definition of an autodialer could even include a "mass-market smartphone."

For more information, see: http://thehill.com/policy/technology/252666-chamber-of-commerce-challenges-fccs-robocall-ruling

Treasury and Brookings Release New Data on Federal Student Loan Portfolio

Yesterday, as part of the Brookings Papers on Economic Activity (BPEA) conference, a new paper on student loans was released. The report, written by Adam Looney of the U.S. Department of Treasury and Constantine Yannelis of Stanford University, pairs a representative sample of borrower data from NSLDS with their earnings data from the IRS.

The initial headlines focused on what many schools, servicers, and even borrowers themselves already know—students from low-income backgrounds attending for-profit schools and, to a lesser degree, community colleges are the most likely to have troubles repaying their debt. As the details on the student debt narrative are so often misunderstood in the media, these findings were treated as a revelation.

However, beyond its analysis suggesting the loan programs are not well-serving to "non-traditional" borrowers, the paper presents some of the best data on the entire federal loan portfolio available to date. In particular, the numerous tables and figures beginning on page 50 are illuminating. The data shows how changes in student loan policies have had an impact on borrower behavior. For instance, though the debt-service to income ratios of borrowers have remained relatively constant since 1999, the five-year default rate and overall rate of negative amortization have increased significantly in that time.

The media stories on this new report have thus far focused on the likelihood of for-profit college borrowers to default. However, as reporters and other observers begin to dig deeper, this report shows that problems in the federal loan market are not limited to "non-traditional" students.

The full report is available online: http://goo.gl/In7rQ8

IHEP Releases Report Examines Improvements to Postsecondary Data

The Institute for Higher Education Policy released a new report, *Weighing the Options for Improving the National Postsecondary Data Infrastructure.* The report makes clear the need to improve the national postsecondary data infrastructure in order to have accurate data about how students access and pay for higher education.

The report explains that students, policymakers, and institutions all need access to high-quality data. The authors write, "As a result, the field knows what data we need to collect and report. Now, it is necessary to address the question of how to collect the data to best meet the needs of our diverse constituencies—students, policymakers, and institutions."

The report explores seven options for a national data solution:

1. Creating a Federal Student Unit Record Data System (SURDS)
2. Expanding, Leveraging, or Linking Government Data Systems
3. Improving the Integrated Postsecondary Education Data System (IPEDS)
4. Linking to Workforce Data Systems
5. Linking State Longitudinal Data Systems
6. Expanding the National Center for Education Statistics' (NCES') Sample Studies

7. Leveraging National Student Clearinghouse Data

The report concludes that the current federal ban on the creation of a federal Student Unit Record Data System has created a major political obstacle. The authors acknowledge that while many experts in the field are in favor of creating a federal Student Unit Record Data System, it is still important to explore alternative solutions.

For more information, see: http://www.ihep.org/research/publications/weighing-options-improving-national-postsecondary-data-infrastructure

New American Foundation Releases Report on Student Loans

The New America Foundation released the fourth in its series of College Decisions Survey briefs that dig deep into survey data about prospective college students understanding of the college-going and financing process. The brief, "Part IV: Understanding Student Debt," sought to find out what students believe to be a reasonable amount to borrow for their undergraduate education.

Researchers found that 87 percent believed some student debt was reasonable, but varied widely on how much. New America reports, "Of those who thought borrowing for an undergraduate education was a reasonable expectation, 55 percent said the total amount borrowed should be $10,000 or less, and another 31 percent indicated borrowing should be kept to between $10,001 and $35,000. The median amount students deemed reasonable was $10,000 over four years of college."

Prospective and recently-enrolled students who were surveyed expect to repay $545 per month on average. However, using the Department of Education's online Federal Student Aid calculator, the monthly payment on debt of $25,000 would be closer to $260 on the ten-year standard repayment plan.

The brief also advocated for several policy reforms including a simplified federal loan repayment system and entrance counseling for federal loans.

For more information, see: http://www.edcentral.org/collegedecisions4/

New Paper Proposes Federal Risk-Sharing Policy

A new paper by Robert Kelchen, an Assistant Professor at Seton Hall University outlines a new federal risk-sharing policy, an idea that has caught the attention of many in Washington recently. The paper, which was funded by the Lumina Foundation, suggests a risk-sharing system that includes rewards and penalties for schools based on the performance of their Pell Grant recipients and how well former students are paying off their loans. The government would then judge a school's performance by comparing it to its peer institutions.

Kelchen explains that the goal is to hold institutions accountable without harming schools with few resources or incenting colleges to be more selective in the students they admit. The proposed system contains two distinct risk-sharing components- one for Pell Grants and one for federal student loans.

The following are key components of his federal risk-sharing policy as outlined in his report:

- Colleges could be eligible for a bonus payment or be required to return a portion of federal Title IV financial aid dollars based on the relative performance of their students who receive Pell

Grants or take out federal student loans compared to the performance of a peer group of similar colleges.

- Performance significantly above the peer group average on Pell Grant students' success rates would result in a college getting additional funding from the federal government, while performance significantly below average would result in the college paying a portion of the Pell Grant award to the student out of its own budget without taking that money from institutional grant aid.
- Performance significantly above the peer group average on student loan repayment metrics would result in a college getting additional federal workstudy funds for its students, while performance significantly below average would result in the college paying a portion of the defaulted loan out of its own budget.
- Rewards and sanctions for Pell Grant and student loan recipients would be decoupled, so financially needy students with no loans would not be hurt by a college with high loan default rates. Additionally, colleges accepting Pell Grant dollars would also be required to offer their students federal loans.
- This program would be phased in over a period of several years, and colleges facing sanctions could see the penalties reduced for a limited period of time if they agree to undertake institutional improvement plans approved by the U.S. Department of Education or their accreditor.
- The federal government and colleges would also be required to make additional data on student outcomes available to the public.

For the full report, see: http://www.luminafoundation.org/files/resources/proposing-a-federal-risk-sharing-policy.pdf

COHEAO Would Like to Thank Our Commercial Members for Supporting More Education for More People

We Encourage Those Seeking Services to Give
These Committed Organizations Priority Consideration

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MAXINE WATERS, CA, RANKING MEMBER

September 10, 2015

The Honorable Arne Duncan
Secretary
U. S. Department of Education
400 Maryland Avenue, SW
Washington, D.C. 20202

Dear Secretary Duncan:

I write to express my concerns regarding the Department of Education's rulemaking efforts to amend the cash management regulations under the Student Assistance General Provisions regulations issued under the Higher Education Act of 1965. While the Department's objectives are admirably intended to ensure that students have "safe, convenient and free access to the credit balance of their Title IV HEA funds," this proposal, if unaltered, will actually harm the people it intends to protect by limiting access to low-cost financial services on college campuses.

Specifically, I am concerned that the Department's proposal will impose significant regulatory requirements on financial accounts offered through partnerships between financial institutions and educational institutions, and would not only include accounts into which Title IV funds are disbursed, but any financial account establish through an arrangement between educational institutions and financial institutions. Prudential bank regulators – such as the OCC, the FDIC, the Federal Reserve, and the NCUA – already enforce a well-established banking regulatory structure that oversees financial service providers. The addition of the proposed Department regulations will thus lead to inconsistent and duplicative compliance regimes for financial institutions. Doing so will ultimately harm students by restricting their ability to choose the financial services that best meet their individual needs. Additionally, the cost of any new regulatory requirements will ultimately be paid for by students, unnecessarily increasing the cost of their education.

As Chairman of the House Financial Services Committee, I am committed to preserving consumer choice and ensuring that students have the financial tools they need to achieve financial independence. As such, I respectfully request that you withdraw the proposed rule, consult with prudential banking regulators, study the unintended effects of the proposal on student access to affordable financial services, and provide for a new public comment period prior to finalizing any amendments to the Department's cash management regulations.

Yours Respectfully,

JEB HENSARLING
Chairman

cc: The Honorable Maxine Waters
Ranking Member