October 4, 2004

Dear Representative:

I write on behalf of the higher education associations listed below to support the adoption of H.R. 5186, the Taxpayer-Teacher Protection Act of 2004.

This bill would curtail for one year a provision in the Higher Education Act that allows some lenders to earn a guaranteed 9.5 percent interest rate on federal student loans and would use the savings to forgive loans for borrowers who become elementary or secondary school teachers in math, science and special education and teach in low-income schools. We appreciate that the savings will be put toward helping students realize their college aspirations.

We support enacting a one-year provision at this time in recognition that the authorizing committees will act to eliminate the 9.5 percent loans in their entirety, including the practice of recycling 9.5 percent loans, in next year's reauthorization of the Higher Education Act. Completing action to end this loophole during the reauthorization will permit any long-term savings to be directed to student aid recipients, a step we strongly encourage.

Many members of Congress from both parties have called for putting an end to this loophole in the student loan program. We are particularly grateful to Reps. Boehner, McKeon, Miller, Kildee, and Van Hollen for their leadership on this issue, and their steadfast determination to bring this practice to a halt. We thank them for their efforts to make sure that this matter is dealt with before the end of this Congress and reiterate our support for the adoption of H.R. 5186.

Sincerely,

David Ward
President

DW/cms

On behalf of:

American Association of Community Colleges
American Association of State Colleges and Universities
American Council on Education
Association of American Universities
Association of Jesuit Colleges and Universities
Hispanic Association of Colleges & Universities
National Association of Independent Colleges and Universities
National Association of State Universities and Land-Grant Colleges
National Association of Student Financial Aid Administrators