



July 29, 2024

The Honorable Virginia Foxx
Chair
House Education and Workforce Committee
2176 Rayburn HOB
Washington, DC 20515

The Honorable Bobby Scott
Ranking Member
House Education and Workforce Committee
2101 Rayburn HOB
Washington, DC 20515

Dear Chair Foxx, Ranking Member Scott, and Members of the House Education and Workforce Committee:

I write on behalf of the National Taxpayers Union (NTU), the nation's oldest taxpayer advocacy organization, in support of H.R. 6951, the College Cost Reduction Act. This legislation would improve loan outcomes for students, reduce taxpayer exposure to bad loans, prevent unconstitutional debt transfers, and save taxpayers billions over the budget window.

The College Cost Reduction Act is an ambitious bill that seeks to fundamentally change the nature of higher education in the United States. National Taxpayers Union applauds this innovative effort that would improve financial outcomes for graduates and taxpayers, while improving the fiscal outlook for higher education spending in the U.S.

Since 2021, the Biden administration has been attempting to sidestep Congress by unilaterally shifting debt from college borrowers to taxpayers. Although some of Biden's most egregious attempts have been struck down by courts, he has now [approved nearly \\$138 billion of student debt forgiveness](#) and continues to [attempt more cancellations](#), which presents a continuing challenge for taxpayers concerned about spiraling government deficits.

This legislative package would address some of the causes of inflated higher education borrowing through a number of innovative measures. Significantly, the legislation would curb the executive branch's authority to unilaterally transfer student loan debt to taxpayers. This is crucial due to President Biden's repeated attempts to forgive [hundreds of billions](#) in student debt despite substantial judicial and congressional pushback.

Another good provision in the bill is sunseting the uncapped PLUS graduate loan program. This would place new limits on the amount that borrowers can take out, which would help disincentivize runaway college costs. This, along with other included loan program consolidation measures, would also help pare back the confusing number of programs available for borrowers.

Further provisions in the bill would peg maximum student aid at the median cost of college attendance, but with variance that is based on fields of study. This would incentivize administrators to drive down college costs overall and perhaps help drive students to careers where they could more easily pay down their own debt. This would potentially avoid delinquencies, which can reduce federal revenues over time.

Finally, the Congressional Budget Office (CBO) has scored this bill as a saver for taxpayers. While CBO scoring is subject to variance in outcome based on uncertainty in the estimates used, it is highly encouraging that they found a [\\$185 billion savings](#) for taxpayers over a ten year budget window. College costs for taxpayers continue to rise and this bill would begin to bend that cost curve downward.

NTU applauds the College Cost Reduction Act and urges the House of Representatives to immediately pass this legislation on the floor.

Sincerely,

Nicholas Johns
Senior Policy & Government Affairs Manager
National Taxpayers Union