

## **A Resolution to Oppose Aspects of the PROSPER Act**

Sponsored by: Rebecca Hofstein Grady, UCI EVP

WHEREAS on Rep Virginia Foxx (R-NC) and Rep Brett Guthrie (R-KY) have proposed the Promoting Real Opportunity, Success, and Prosperity through Education Reform (PROSPER) Act, H.R. 4508, in Congress [1];

WHEREAS the PROSPER act proposed many changes to the Higher Education Act that would impact current and future graduate and professional students;

WHEREAS the new federal loans would no longer be eligible for the Public Service Forgiveness Programs, in which graduates who hold public service jobs and make qualified monthly payments can have their loans forgiven after 10 years [2];

WHEREAS over 1.2 million students have received or are on the path to receive such forgiveness as of Q3 2017 [3];

WHEREAS this program is especially relevant for graduate and professional students with greater loan balances, with over 80% of current borrowers in the program having graduate or professional degrees [4];

WHEREAS this program encourages highly educated students with graduate education to enter public service positions despite the lower pay relative to private sector jobs;

WHEREAS graduate students would now be capped at borrowing \$28,500 per year [5];

WHEREAS this amount would not cover the cost of some professional programs in the University of California, such as law school (UCI annual tuition, \$49.1k CA resident, \$55.6 non-resident) [6];

WHEREAS this change is intended to pressure universities to lower tuition but may instead turn people towards needing private loans without other mechanisms to lower tuition [7];

WHEREAS University of California graduate and professional students are benefited by access to federal loans and loan forgiveness options;

LET IT BE RESOLVED that UCGPC is directed to take all steps necessary and reasonable to oppose the aspects of the PROSPER Act specified above, including writing statements affirming UCGPC support for removing the aspects outlined above, opposing bills that include these aspects, and lobbying against these provisions; and

LET IT FURTHER BE RESOLVED that UCGPC calls on university administrators to use their legislative advocacy resources to oppose the aspects of the PROSPER Act specified above.

(References 2-7 attached in merged document)

[1] HR 4508 Bill Text <https://edworkforce.house.gov/uploadedfiles/bills-115hr4508ih.pdf>

[2] “House GOP to Propose Sweeping Changes to Higher Education”  
<https://www.wsj.com/articles/house-gop-to-propose-sweeping-changes-to-higher-education-1511956800>

[3] Public Service Loan Forgiveness Employment Certification Forms (ECFs) data

[4] The coming Public Service Loan Forgiveness bonanza  
<https://www.brookings.edu/research/the-coming-public-service-loan-forgiveness-bonanza/>

[5] “What You Need to Know About the House Higher Education Act Bill”  
<https://www.americanprogress.org/issues/education-postsecondary/news/2017/12/07/443915/need-know-house-higher-education-act-bill/>

[6] UCI Registrar School of Law Fees 2017-2018 <http://www.reg.uci.edu/fees/2017-2018/law.html>

[7] GOP Begins Rewrite of Federal Aid Law  
<https://www.insidehighered.com/news/2017/11/30/us-house-committee-leaks-summary-broad-plan-reauthorizing-higher-education-act>