



FEDERATION OF ASSOCIATIONS OF
SCHOOLS OF THE HEALTH PROFESSIONS

March 7, 2025

The Honorable Mike Johnson
Speaker
U.S. House of Representatives
H-232, The Capitol
Washington, D.C. 20515

The Honorable Hakeem Jeffries
Minority Leader
U.S. House of Representatives
H-204, The Capitol
Washington, D.C. 20515

The Honorable Tim Walberg
Chairman
House Committee on Education & Workforce
2176 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Bobby Scott
Ranking Member
House Committee on Education & Workforce
2101 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Jason Smith
Chairman
House Committee on Ways & Means
1139 Longworth House Office Building
Washington, D.C. 20515

The Honorable Richie Neal
Ranking Member
House Committee on Ways & Means
1129 Longworth House Office Building
Washington, D.C. 20515

Dear Speaker Johnson, Leader Jeffries, Chairman Walberg, Chairman Smith, Ranking Member Scott, and Ranking Member Neal,

The 19 member organizations of the Federation of Associations of Schools of the Health Professions (FASHP) **urge you to ensure that any forthcoming budget reconciliation legislation does not negatively impact students and student loan borrowers**, which would have substantial ramifications on access to higher education across the country. This includes the elimination of student loan programs for graduate study as well as longstanding tax deductions, which provide financial assistance to students and borrowers. We are especially concerned with the impact of such proposals on health professions education and the future health care workforce in the United States.

Established in 1968, FASHP is a forum for representatives of health professions education institutions to address education's role in organizational patterns of health care; to encourage effective collaboration among the professions in education and practice; to prepare health professions education for the future; and to serve as a liaison with other organizations sharing an interest in health professions education. FASHP comprises 19 associations representing a health professions education community that includes 7,429 programs, institutions, hospitals, and health systems, and more than 1.3 million students, faculty, clinicians, administrators, residents, and researchers.

FASHP is highly concerned about proposals that would eliminate and drastically alter essential federal student aid programs. The House Budget Resolution that passed on February 25, 2025, instructs the House Education and Workforce Committee to reduce spending by \$330 billion. Previously released Committee documents include proposals that would eliminate and make devastating cuts to Pell Grants, Grad PLUS loans, and the Public Service Loan Forgiveness Program (PSLF) program. Health professions

students depend on all of these are programs to finance their studies at some point throughout their educational journey.

The potential elimination of the Grad PLUS program is particularly troubling, given that graduate degrees are often a requirement for licensure in many health care fields. Rather than lowering the cost of attendance, eliminating Grad PLUS will force borrowers into the private student loan market, where borrowing conditions are less favorable. This will make it difficult and, in some cases, impossible for many students to receive a loan, denying them the ability to enroll in a program leading to a degree in a critically needed healthcare field. Students will also lose access to essential federal protections and federal repayment and forgiveness programs, such as PSLF and the National Health Service Corps, which are important recruitment and retention tools for many healthcare professionals. Likewise, placing arbitrary caps on unsubsidized student loans would create further obstacles for students. It would exacerbate healthcare workforce shortages among physicians, nurses, and mental and behavioral health care providers that already impact virtually every community across the nation, especially those in rural and underserved areas.

Of additional concern are proposed cuts to the Pell Grant Program. Since 1965, the Pell Grant has been the premier federal financial aid program that has expanded access to higher education, particularly among low-income, first-generation students, across all populations. Due to its universality, it has enjoyed years of bipartisan support. **Cutting Pell or placing limitations on the program would severely limit its ability to continue being a key access point for low-income students to the advanced degrees that our growing economy and increasing healthcare needs require.** Instead, federal policy should be focused on strengthening the program, replenishing its purchasing power, and expanding its reach, including for graduate education.

Furthermore, limiting the eligibility of PSLF is similarly short-sighted and in conflict with the intent of the program when it was passed on a bipartisan basis. PSLF serves as a recruitment tool for various public service fields, which are some of the fastest growing in-demand professions, nationwide. This includes the healthcare fields, where many providers work in public hospitals, clinics, community health centers, public schools, and much more. Many are in rural communities, which face particular shortages of qualified health care professionals. The program is already limited to those individuals working at non-profits or government entities. Arbitrarily placing further limits on which fields are eligible for PSLF, risks not only undermining the public benefits of the program today, but also in the future, as we do not know which types of fields will be in demand as the needs of our population continue to evolve.

Lastly, we are also concerned with the potential elimination of several tax deductions that benefit students and student loan borrowers, specifically the deductibility of scholarship, fellowship, and stipend income, and student loan interest payments. Taxing scholarships, fellowships, and stipends would fall particularly hard on graduate students, many of whom already struggle to stay financially afloat. Nationally, the average stipend for a graduate student is about \$30,000 annually, which is below the average income of working individuals. While these funds provide students with a modest income, historically they have been considered primarily an educational benefit, which is why they have remained tax deductible. Similarly, eliminating the student loan interest deduction, which is already capped at \$2,500, would disproportionately impact low-income borrowers, creating a financial hardship and penalizing those who are repaying their loans. Both are popular deductions, which is why they were maintained when the Tax Cuts and Jobs Act was passed in 2017. **We urge the House Ways and Means Committee to retain these tax benefits for students and borrowers.**

FASHP believes that there are common sense, bipartisan approaches that Congress can take to update higher education policies that would make both undergraduate and graduate education more affordable

and accessible. **However, we strongly oppose policies and actions that are harmful to students, the future health care workforce, and the communities they serve. We urge you to reject them as part of any budget reconciliation bill.** We stand ready and willing to work with you to develop bipartisan solutions so that all students, including our future health professionals, are supported in their educational pursuits, with the shared goal of improving the health and well-being of all our communities.

Sincerely,

American Association of Colleges of Nursing
American Association of Colleges of Osteopathic Medicine
American Association of Colleges of Pharmacy
American Association of Colleges of Podiatric Medicine
American Association of Veterinary Medical Colleges
American Council of Academic Physical Therapy
American Dental Education Association
American Occupational Therapy Association
American Physical Therapy Association
American Psychological Association
Association of Accredited Naturopathic Medical Colleges
Association of American Medical Colleges
Association of Chiropractic Colleges
Association of Schools Advancing Health Professions
Association of Schools and Colleges of Optometry
Association of Schools and Programs of Public Health
Association of University Programs in Health Administration
Council on Social Work Education
PA Education Association