



February 23, 2018

Chairman Alexander, Ranking Member Murray, and Members of the HELP Committee:

The American Veterinary Medical Association and the Association of American Veterinary Medical Colleges are grateful for the opportunity to provide feedback on behalf of the veterinary profession as you continue efforts to reauthorize the Higher Education Act.

The American Veterinary Medical Association (AVMA) is the nation's leading representative of the veterinary profession. We speak for more than 91,000 member veterinarians across the United States who care passionately about protecting animal health, animal welfare and human health. Informed by our members' unique scientific training and knowledge, we advocate for policies that advance the practice of veterinary medicine and support the crucial work of veterinarians nationwide. The Association of American Veterinary Medical Colleges (AAVMC) provides leadership for and promotes excellence in academic veterinary medicine to prepare the veterinary workforce with the scientific knowledge and skills required to meet societal needs through the protection of animal health, the relief of animal suffering, the conservation of animal resources, the promotion of public health, and the advancement of medical knowledge.

Veterinarians are unique in comparison to our human health professions colleagues in a number of ways, one of which is that vast majority of animal owners pay out of pocket for veterinary care. As a result, veterinary medicine is closely tied to the state of the overall economy. During the recent economic downturn, entry-level salaries for veterinarian declined while the cost of tuition continued to rise. While salaries have improved slightly since then, in 2017, the mean debt acquired by veterinary college graduates was nearly \$140,000; yet, a veterinarian can expect to earn just over \$30,000 if entering a residency or just over \$70,000 if entering full-time practice, making veterinarians' debt-to-income ratio over 2:1. The AVMA and AAVMC have set a goal of reducing this ratio to 1.4:1. Through the legislative process and through our own efforts, our organizations are committed to addressing the needs of aspiring and early career veterinarians who are gravely concerned about the cost of obtaining a veterinary degree, their ability to access federal student loan options, and their ability to successfully manage their education debt during the early years of practice.

AVMA and AAVMC believe that the HEA reauthorization must be student-focused and embrace the following principles and policies:

1. **First do no harm.** Reforms should not result in fewer student supports. It is critical that students have sufficient options to access financial aid programs that best meet their needs and enable them to pursue the degrees necessary to meet the nation's workforce needs. For veterinarians, GradPLUS is a critical program that allows veterinary students to borrow up to the full cost of attendance minus other aid. We appreciate and recognize the importance of safe guards to ensure students are not over-borrowing; however, arbitrary caps on federal student loan programs will force many veterinary students to contend with higher interest rates and fewer consumer protections in the private lending marketplace at a time when Congress is looking to improve

transparency and protections for borrowers. As you consider proposals to streamline the Federal loan options, we strongly urge you to retain the GradPLUS program which so many veterinarians rely on to pay for educational expenses.

- 2. Maintain the Public Service Loan Forgiveness Program (PSLF).** As part of its score of the “PROSPER Act,” H.R. 4508, the Congressional Budget Office (CBO) estimated that eliminating PSLF program will result in savings of \$25 billion over ten years. It is unclear what data CBO used to support this figure and underscores the need for the U.S. Department of Education to publish or report to Congress on the PSLF program statistics, including how many individuals are eligible and on-track for loan forgiveness, the amount of debt they hold that will be forgiven at the end of the program, and what profession or line of work they are currently in or will be in after completing the program.

Furthermore, we must not forget the original goal of the program: to recruit and retain individuals in key public service positions in communities across the country. Absent Federal data, AVMA and AAVMC have been working hard to share stories to illustrate the importance of PSLF to the veterinary community. As the only profession working at the intersection of animal health and human health, veterinarians are a critically important part of our nation’s workforce. In addition, a greying Federal workforce makes PSLF an important tool to recruit veterinarians into public service roles at the U.S. Departments of Agriculture, Homeland Security, Health and Human Services, Armed Services, and other agencies.

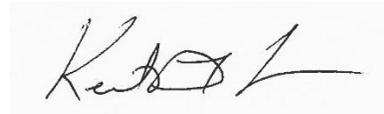
In fact, we’ve heard from a veterinarian in Memphis, Tennessee, who was torn between private practice or a career in research. Her heart was in research, but she worried she would need to pursue a higher paying job because of her student debt. PSLF provided the financial certainty she needed pursue her dream, and she is currently at the University of Tennessee conducting groundbreaking research on diabetes that will improve the lives of humans and animals. As diabetes is on the rise in humans and pets, her research is more important than ever to help address this debilitating disease. We’ve also heard from a veterinarian in Kelso, Washington, who serves as a Supervisory Public Health Veterinarian for the U.S. Department of Agriculture’s Food Safety and Inspection Service. Public health veterinarians are critical to ensuring the safety of our nation’s food supply. As part of her work, she travels to meatpacking plants across the West Coast – from Hawaii to Nebraska – to ensure that all meat is safe for human consumption. PSLF was one of the main factors that attracted her to a career in food safety and promise of PSLF offered her stability and a chance to start planning for her future.

As you know, the PSLF program was signed into law in 2007 by President George W. Bush. The first cohort of individuals to qualify for forgiveness only began in October of 2017. Since the program is in its early stages, we believe there has not been enough time to fully evaluate the effectiveness of this critical program or its true cost. Therefore, we recommend that Congress maintain the PSLF program in its current form and evaluate its outcomes and impact after at least five years of forgiveness is provided.

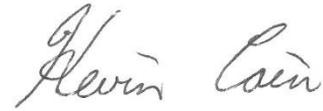
- 3. Help borrowers manage educational debt by increasing financial literacy and the repayment options available to them.** Financial literacy, in particular, is a key focus of our own support to both students and early career veterinarians. We are pleased to see Congress’s focus on financial literacy and are strong proponents of meaningful annual student loan counseling. To further assist borrowers in managing their debt, AVMA and AAVMC also recommend that Congress establish a federal refinancing option to allow borrowers an opportunity to access lower interest rates whenever a more favorable rate is available.

Thank you again for the opportunity to comment, and for your commitment to higher education. We look forward to working with you and the Committee on these reforms. If you have any additional questions related to veterinary medical education or these recommendations, please do not hesitate to contact Alex Sands at [asands@avma.org](mailto:asands@avma.org) or Kevin Cain at [kcain@aavmc.org](mailto:kcain@aavmc.org).

Sincerely,

A handwritten signature in black ink, appearing to read "Kent McClure", written on a light gray rectangular background.

Dr. Kent McClure  
Chief Government Relations Officer  
AVMA

A handwritten signature in black ink, appearing to read "Kevin Cain", written in a cursive style.

Kevin Cain  
Director, Government Relations  
AAVMC