

**Congress of the United States**  
**Washington, DC 20515**

October 1, 2015

The Honorable Jacob J. Lew  
Secretary  
United States Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220

The Honorable Arne Duncan  
Secretary  
United States Department of Education  
400 Maryland Avenue, SW  
Washington, D.C. 20202

Dear Secretary Lew and Secretary Duncan:

We encourage the U.S. Department of the Treasury and the U.S. Department of Education to immediately take the steps necessary to make it easier for student loan borrowers in income-driven repayment plans to keep their payments affordable. As you know, borrowers in income-driven repayment plans are required to certify their income annually. Borrowers would benefit significantly if they could provide consent at the time of enrollment for their income information to be used to automatically establish monthly payment amounts each year. Such a multi-year consent option would help borrowers maintain affordable payments and avoid potentially serious financial repercussions that can result when onerous recertification requirements are not met.

According to data the Department of Education released this year, more than half of borrowers sampled (57 percent) missed the deadline to recertify their income. When borrowers fail to recertify on time, or their information is not processed on time, borrowers can see their payments increase by hundreds or thousands of dollars—often when they can least afford it. Repayment shock can lead some borrowers to lose interest subsidies and time that would be applied toward loan forgiveness, if they are unable to make the required payments. For all borrowers in Income-Based Repayment and Pay As You Earn, failing to recertify annual income information on time causes unpaid interest to capitalize, potentially adding thousands of dollars to repayment over the life of borrowers' loans.

More than 40 million Americans have student loan debt, which totals roughly \$1.3 trillion—more than all other consumer debt except for mortgages. Although postsecondary education is a good investment for most borrowers, many of whom can manage some student loan debt, far too many borrowers struggle with debts they cannot repay. Low incomes, competing expenses, and other factors—including the earning potential that is lost when borrowers do not complete academic programs—contribute to unaffordable monthly loan payments. Borrowers with

delinquent or defaulted loans may suffer negative credit ratings and diminished access to financing for future purchases, which harms these individuals and the economy in the long run.

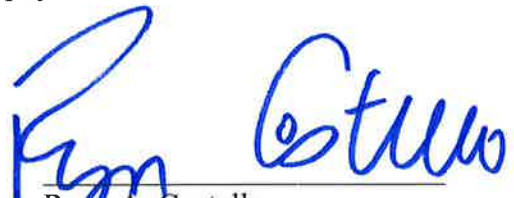

The consequences of unaffordable student loan payments persist even for borrowers who avoid delinquency or default. Student loan debt can be a contributing factor for some borrowers who wait to start families and delay buying homes, appliances, and cars in order to afford monthly expenses. This, too, is a drag on the economy.

Certainly not all student loan borrowers need to choose income-driven plans. For many borrowers with higher incomes, the 10-year fixed repayment plan represents the least costly and shortest path to paying off their student debt. But we are deeply concerned about the damage done to individuals, families, and the economy when struggling borrowers find it difficult to maintain affordable, income-driven loan payments. Reinstating a multi-year consent option would immediately help keep millions of borrowers' loan payments affordable.

We respectfully request that you take the actions necessary to reinstate a multi-year consent option as soon as possible and continue to simplify processes for student loan borrowers who wish to make affordable payments in income-driven repayment plans. Furthermore, as you prepare a report on the feasibility of reinstating a multi-year consent option, we ask that you provide our offices with detailed information on how you plan to address any potential delays to providing borrowers with a multi-year consent option.

We appreciate the Administration's ongoing efforts to improve, and increase awareness of, income-driven repayment plans, and we look forward to working with you to put in place a multi-year consent option that will help keep borrowers' payments affordable.

Sincerely,

  
Suzanne Bonamici  
Member of Congress  
Ryan A. Costello  
Member of Congress  
Robert C. "Bobby" Scott  
Member of Congress  
Earl Blumenauer  
Member of Congress  
Mark Pocan  
Member of Congress  
Mike Coffman  
Member of Congress



Eric Swalwell  
Member of Congress



Mark DeSaulnier  
Member of Congress



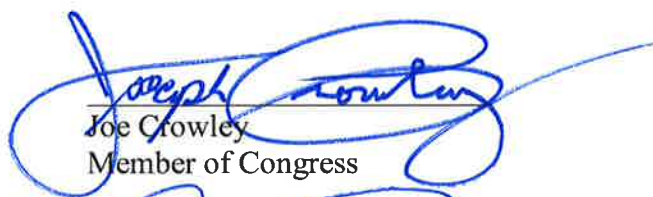
Alma S. Adams, Ph.D.  
Member of Congress




Mark Takano  
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Jim McDermott  
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Joe Crowley  
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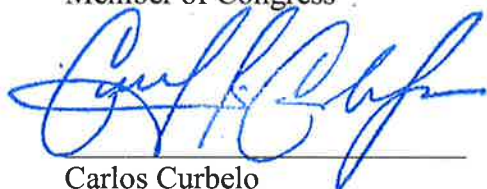
Gwen Moore  
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Bradley Byrne  
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Brendan F. Boyle  
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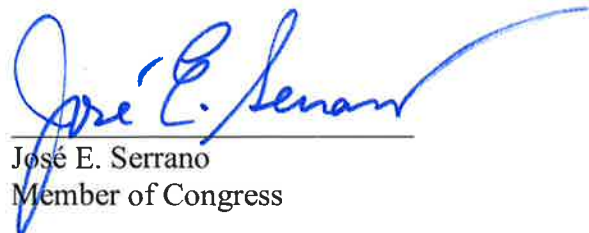
Carlos Curbelo  
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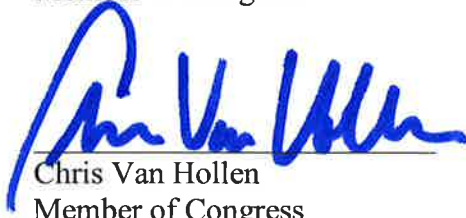
David N. Cicilline  
Member of Congress



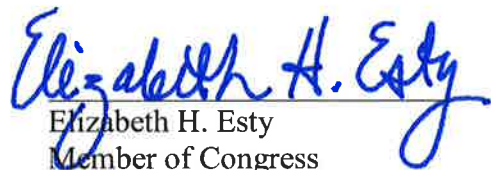
Patrick Meehan  
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Sheila Jackson Lee  
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Chris Van Hollen  
Member of Congress



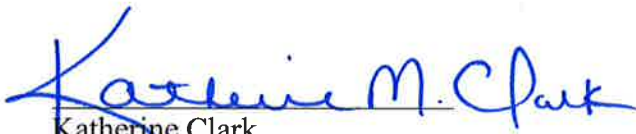
Elizabeth H. Esty  
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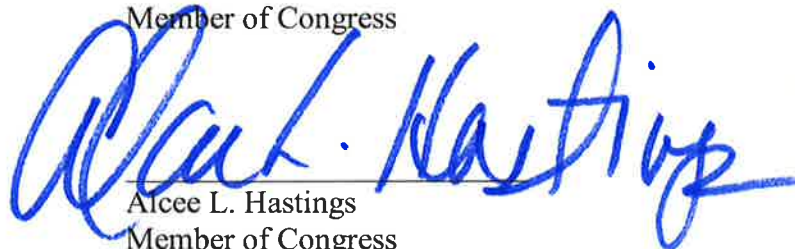
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Member of Congress



Katherine Clark  
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Alcee L. Hastings  
Member of Congress



Raúl M. Grijalva  
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Marcy Kaptur  
Member of Congress

Cc:

Hon. John Koskinen, IRS Commissioner