United States Senate

WASHINGTON, DC 20510–4704 October 5, 2016 APPROPRIATIONS BUDGET HEALTH, EDUCATION, LABOR, AND PENSIONS VETERANS' AFFAIRS

COMMITTEES:

The Honorable John King Secretary of Education 400 Maryland Avenue, S.W. Washington, DC 20202

Dear Secretary King,

The collapse of Corinthian Colleges and ITT Technical Institute ("ITT Tech") continues to have a profound impact on the more than 50,000 students who were left in the lurch after the schools they had invested time and money into suddenly closed. Like you, I want to see these students succeed, and I commend the actions you have taken to protect students and taxpayers from further harm by colleges of dubious educational quality. However, despite your efforts, students from schools like Corinthian Colleges and ITT Tech who used Pell Grants to finance their education face significant roadblocks to continuing their educational progress. Since 2012, Pell Grant recipients have had restrictive limits on the total number of semesters they can receive support through the program. Many students who used Pell Grants to attend schools that suddenly closed have exhausted their eligibility and therefore are ineligible for sufficient support to finish their education at a new school.

As a Pell Grant recipient myself, I know firsthand how this critical financial aid program can transform the lives of low-income students across the country. We must do everything we can to fulfill our promise to Pell Grant recipients so that they remain eligible for grant assistance when events beyond their control lead to a school's closure. I believe a provision of the Higher Education Act (HEA) may give the Department the statutory authority to restore Pell Grant eligibility to low-income students who were unable to complete a course of study due to the closing of their school. Specifically, section 437(c)(3) of the HEA reads as follows:

"ELIGIBILITY FOR ADDITIONAL ASSISTANCE.—The period of a student's attendance at an institution at which the student was unable to complete a course of study due to the closing of the institution shall not be considered for purposes of calculating the student's period of eligibility for additional assistance <u>under this title</u>."

This provision refers to title IV, which governs all federal student loans and the majority of grants to students, including the Pell Grant program. By including the reference to the entire title, this provision states that, when a student is enrolled at an institution that closes, the semesters they spent at the closed institution shall not count against their continued eligibility for Pell Grants.

I urge you to review section 437(c)(3) of the HEA and consider restoring Pell Grant eligibility to those students who attended institutions that closed in the middle of their pursuit of a degree. We cannot give students back the time they spent at institutions that closed, but you can ensure they have the resources they need to fulfill their dreams and continue their education elsewhere. I strongly advocate that you use this provision of the HEA to do so.

Sincerely,

Patty Murray

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