

February 28, 2022

The Honorable Jacky Rosen  
United States Senate  
713 Hart Senate Office Building  
Washington, DC 20510

The Honorable John Boozman  
United States Senate  
141 Hart Senate Office Building  
Washington, DC 20510

Dear Senators Rosen and Boozman:

On behalf of our 162,000 members, we would like to thank you for sponsoring S. 3658, the Resident Education Deferred Interest Act (or REDI Act). This bill would allow medical and dental residents to defer payments on their federal student loans—and delay the point at which interest begins to accrue—until after completing their medical or dental residencies.

Graduate student debt has been rising at abnormally high rates for decades, even after adjusting for inflation. It has risen to the point that dental school graduates are now starting their careers nearly \$305,000 in debt (\$270,125 for graduates from public dental schools and \$349,730 for graduates from private dental schools).<sup>1</sup>

Adding insult to injury are federal student loan interest rates that can reach as high as 9.5 or 10.5 percent, depending on the type of loan and market conditions. And the interest begins accruing immediately.

Educational debt is a particular challenge for the 37 percent<sup>2</sup> of dental school graduates with debt who pursue—or are *required* to complete—several years of a low- or non-paying dental residency program. Those who are unable to begin repaying their student loans immediately *may* qualify to have their payments temporarily halted or reduced through a deferment or forbearance process. But the suspended/reduced payments are not automatic, and the interest accrues regardless, adding tens of thousands of dollars to their debt.

If enacted, S. 3658 would allow medical and dental residents to automatically defer payments on their federal student loans until after their medical or dental residency is completed. It would also suspend the accrual of federal student loan interest during the residency period. It would end what amounts to an interest penalty just for pursuing a medical or dental residency.

This bill will not eliminate the student debt hardship for new dentists, but it will help offset the unprecedented financial challenges these essential health care providers face at graduation.

We applaud you for sponsoring this meaningful legislation and are pleased to offer our enthusiastic support. If you have any questions, please contact Ms. Megan Mortimer at 202-898-2402 or [mortimerm@ada.org](mailto:mortimerm@ada.org). Information is also available at [ADA.org/HigherEd](http://ADA.org/HigherEd).

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Sincerely,

/s/

Cesar R. Sabates, D.D.S.  
President

/s/

Raymond A. Cohlma, D.D.S.  
Executive Director

CRS:RAC:rjb

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<sup>1</sup> Istrate EC, Slapar FJ, et al., Dentists of tomorrow 2020: An analysis of the results of the 2020 ADEA Survey of U.S. Dental School Seniors, *J Dent Educ*, February 2021; 85: 427-440.

<sup>2</sup> American Dental Education Association. (March 2020). ADEA Survey of Dental School Seniors, 2019 Graduating Class Tables Report Washington, DC. (Table 29. Respondents' Immediate Plans After Graduation by Level of Educational Debt).