

August 17, 2021

The Honorable Judy Chu
2423 Rayburn House Office Building
Washington, DC 20515

Dear Representative Chu:

On behalf of our 162,000 members, we would like to thank you for sponsoring H.R. 4631, the Protecting Our Students by Terminating Graduate Rates that Add to Debt Act (POST GRAD Act). This bill would reinstate eligibility for graduate and professional students with financial need to receive Direct Subsidized Stafford Loans, which are now only available to undergraduate students.

Dental 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).¹

The vast majority of dental students use federal student loans to pay for dental school. Over 75 percent use federal Unsubsidized Stafford Loans, and another 72 percent use federal Grad PLUS Loans—either as a stand-alone financing mechanism or to make up the difference between what the Direct Stafford Loan did not cover.

If enacted, H.R. 4631 would reinstate eligibility for graduate and professional students in need to use federal Direct Subsidized Stafford Loans. These subsidized loans were originally available to graduate and professional students with a financial need. Today, however, they are only available to qualifying undergraduate students.

Direct Subsidized Loans have slightly better borrowing terms than the educational loans available to graduate and professional students. For example, the interest rates are generally lower. The Department of Education also pays the interest that accumulates while borrowers are in school, during a grace period, and during a period of deferment.

This bill will not solve the student debt crisis, but it will help offset the unprecedented financial challenges that these essential health care providers face at graduation. Combined with reinvigorated public service loan forgiveness programs, it may also inspire more highly indebted young dentists to practice in underserved areas.

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. Information is also available at ADA.org/HigherEd.

The Honorable Judy Chu
August 17, 2021
Page 2

Sincerely,

/s/

Daniel J. Klemmedson, D.D.S., M.D.
President

/s/

Kathleen T. O'Loughlin, D.M.D., M.P.H.
Executive Director

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¹ 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.