

February 18, 2025

The Honorable John Thune
U.S. Senate
511 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Mark Warner
U.S. Senate
703 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Nicole Malliotakis
U.S. House of Representatives
1124 Longworth House Office Building
Washington, D.C. 20515

The Honorable Scott Peters
U.S. House of Representatives
2369 Rayburn House Office Building
Washington, D.C. 20515

Dear Senators Thune and Warner and Representatives Malliotakis and Peters:

I am writing on behalf of Education Finance Council (EFC) to endorse the *Employer Participation in Repayment Act*. EFC supports your proposal to allow college students and graduates to receive up to \$5,250 in annual tax-free higher education reimbursements from their employers in 2026 and beyond. This crucial legislation will provide much-needed relief to millions of Americans struggling with student loan debt while also benefiting employers and the broader economy.

Education Finance Council (EFC) is the national trade association representing nonprofit and state-based higher education finance organizations. EFC members increase postsecondary education access, success, and affordability by providing a wide range of free resources and services to millions of students and families every year. EFC members are driven by a public purpose mission to support students as they seek to grow their skills and improve their lives.

Student loan debt is an enormous burden for many individuals nationwide. Today, over 42 million individuals carry more than \$1.77 trillion in outstanding student loans.¹ Many employers' hiring practices continue to require candidates obtain some level of postsecondary education to receive employment consideration. To become competitive in the labor market, millions of students use education loans to finance the rising costs of their academic programs.

During the height of the COVID-19 pandemic, Congress passed legislation that allowed millions of families to receive up to \$5,250 per year in tax-free student loan or tuition reimbursements through their employer. This innovative, commonsense policy helped employers attract and retain talented workers during a challenging time, and it was a lifeline to Americans struggling with inflation and tighter budgets.

By passing the *Employer Participation in Repayment Act*, Congress can:

- Help people who went to an institution of higher education achieve and maintain financial stability;
- Continue to fuel economic growth;

¹ <https://educationdata.org/student-loan-debt-statistics>

- Encourage more employer-provided education assistance by giving businesses long-term certainty about the availability of the tax incentive; and
- Boost the number of borrowers who are actively repaying their student loan debt, most of which is backed by taxpayers.

The bipartisan and bicameral *Employer Participation in Repayment Act* will reduce borrowers' student loan burdens and encourage successful repayment. In turn, it gives employers a permanent tool with which to attract a stable workforce. EFC is proud to endorse this legislation, and we look forward to collaborating with you to advance public policies that appropriately balance the interests of student loan borrowers, employers, and taxpayers.

Sincerely,

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

Gail daMota
President