

25 October 2016

John King
Secretary of Education
Department of Education

Dear Secretary King,

We write today as representatives of a broad constituency of public policy organizations, academic researchers, institutional representatives, advocacy organizations, and others to raise the importance of better and more actionable data on federal financial aid.

Every year, the U.S. Department of Education (ED) disburses approximately \$130 billion of taxpayer dollars for federal higher education programs. These funds are not only a crucial source of support for students to access and succeed in higher education, but also for institutions to operate.

Yet for all the money spent, policymakers, students, and the public are far too in the dark about the outcomes of this vital investment. For example, we cannot consistently answer key questions such as:

- What is the actual velocity at which borrowers pay down loans over time?
- What is the default rate on student loans over longer periods of time?
- How do student loan outcomes and the portfolio breakdown vary based upon key characteristics? (e.g. age, Pell receipt, and completion status)
- How do default, repayment rates, and other borrower outcomes vary by type of loan (e.g. rates for just Subsidized Stafford, Unsubsidized Undergraduate Stafford, Graduate Stafford, Grad PLUS, and Parent PLUS).
- How do borrower outcomes vary based upon their repayment plan?
- How do student loan outcomes vary by servicer?

As a first step toward answering these and other questions, we have two specific requests: (1) Release a privacy-protected version of the statistical extract from the National Student Loan Data System (NSLDS), such as the one currently used for budget analysis and cost estimation, and (2) Publish all routinely produced oversight and monitoring data files related to student loan servicing, portfolio analysis, and debt collection.

1. Release a privacy protected version of the existing statistical extract from NSLDS

Much analysis of FSA data conducted by ED's budget office and the Congressional Budget Office is done using a statistical extract from NSLDS. Known more formally as the Cost Estimation and Analysis Division's Statistical Abstract (CEAD-STAB), this file includes loan records and detailed information on a sample of approximately 2 million borrowers.¹ This representative sample forms the backbone of how major federal agencies estimate the costs of the student aid programs and has well-established methodology and processes for sampling and constructing it.

We believe that releasing a privacy protected version of the CEAD-STAB or something similar to it, including existing matches to the Aid Applicant File, Pell File, and Parent PLUS File, would make it

¹ http://www.ihep.org/sites/default/files/uploads/postsecdata/docs/resources/using_and_improving_fsa_data_systems.pdf
page 8.

possible to leverage existing data created by ED to answer the questions identified above. If not already included, this sample should also incorporate flags for servicer and student characteristics like age, income or Pell receipt, completion status, and other relevant demographic indicators.

While we recognize that important steps must be taken to protect borrower identities before releasing the CEAD-STAB or an equivalent to the public, we believe providing these data is a high priority for ensuring the availability of quality data to inform decision-making. ED already produces this file so additional data pulls should be minimal. ED could furthermore use existing data dictionaries and would simply need to implement necessary identity-masking to eliminate personally identifiable information.

2. Publish all routinely produced oversight and monitoring data files related to student loan servicing, portfolio analysis, and debt collection.

Improving public data around federal student aid need not entail the production of entirely new items. ED could substantially increase transparency by releasing the data already calculated in the course of its normal business practices. For example, it is our understanding that FSA already produces monthly Operation Services Portfolio Reports for student loan servicers, and provides information to servicers about their success in turning around borrower applications, processing paperwork, and other key indicators of servicer volume management. The agency has also said that it conducts a quarterly review of the portfolio. Given the time already invested in putting together such documents, releasing them to the public should not take much additional effort and would contribute to the understanding of the federal student aid portfolio as well as enhance transparency.

The federal student aid programs are one of our nation's largest investments in economic opportunity and social mobility, specifically for low-income and underrepresented student populations. Ensuring these funds achieve their intended aims requires much greater understanding of student experiences and outcomes than we currently possess. Implementing the two requests outlined above would present a major step forward in making postsecondary data more transparent, useful, and actionable.

We thank you in advance for your consideration and would be happy to discuss these requests further if you have any questions.

Individual Signatories

Cliff Adelman, Institute for Higher Education Policy

Dennis A. Ahlburg, Distinguished Professor of Economics, Trinity University

Drew M. Anderson, Postdoctoral Researcher, University of Wisconsin-Madison

Josh Angrist, Ford Professor of Economics, MIT

David Autor, Ford Professor of Economics and Associate Head, MIT Department of Economics, Cambridge, MA

Peter Bahr, Associate Professor, University of Michigan

Tracy Arambula Ballysingh, Assistant Professor, The University of Vermont

Michael Bastedo, Professor of Education, University of Michigan

Estela Bensimon, Professor, University of Southern California

Peter Bergman, Assistant Professor of Economics and Education, Teachers College, Columbia University

Mitchell Berlin, Vice President and Economist,
Federal Reserve Bank of Philadelphia

Eli Berman, Chair, UC San Diego, Economics

Eric Bettinger, Associate Professor of
Education, Stanford University

Angela Boatman, Assistant Professor of Public
Policy and Higher Education, Vanderbilt
University

Paige Butler, Assistant Professor, Middlebury
Institute of International Studies

Clare Cady, Director, College and University
Food Bank Alliance

Celeste K. Carruthers, Associate Professor,
University of Tennessee

Elizabeth U. Cascio, Associate Professor of
Economics, Dartmouth College

Ben Castleman, Assistant Professor of
Education and Public Policy, University of
Virginia

Stephanie Cellini, Associate Professor of Public
Policy and Economics, George Washington
University

Rajashri Chakrabarti, Senior Economist,
Federal Reserve Bank of New York

Satyajit Chatterjee, Senior Economic Advisor
and Economist, Federal Reserve Bank of
Philadelphia

Raj Chetty, Professor of Economics, Stanford
University

Luke Chu, Lecturer School of Economics and
Finance, Victoria University of Wellington

Krystle Cobian, Research Analyst, UCLA

Sarah R. Cohodes, Assistant Professor of
Education and Public Policy, Teachers College,
Columbia University

Julie Cullen, Professor of Economics, University
of California, San Diego

Bradley Curs, Associate Professor of
Educational Leadership and Policy Analysis,
University of Missouri

Rajeev Darolia, Assistant Professor of Public
Policy and Education, University of Missouri

Stefanie DeLuca, Associate Professor of
Sociology, Johns Hopkins University

David Deming, Professor of Education and
Economics, Harvard Graduate School of
Education

Jeff Denning, Assistant Professor, Brigham
Young University

Stephen DesJardins, Professor, University of
Michigan

Michael Dinerstein, Assistant Professor of
Economics, University of Chicago

Susan Dynarski, Professor, University of
Michigan

Ronald G. Ehrenberg, Professor and Director of
the Cornell Higher Education Research
Institute, Cornell University

Dennis Epple, Professor of Economics,
Carnegie Mellon University

Burcu Eyigungor, Economic Advisor and
Economist, Federal Reserve Bank of
Philadelphia

Robert Fairlie, Professor, University of California,
Santa Cruz

Raul Fernandez, Lecturer, Higher Education
Administration, Boston University

David Figlio, Professor of Education and Social
Policy and Economics, Northwestern University

Maria Fitzpatrick, Associate Professor, Cornell
University

Stella M. Flores, Associate Professor of Higher
Education, New York University

Kevin Fosnacht, Asst. Research Scientist,
Indiana University

John Friedman, Associate Professor of Economics, Brown University

Sara Goldrick-Rab, Professor of Higher Education Policy & Sociology, Temple University

Joshua Goodman, Associate Professor of Public Policy, Harvard Kennedy School

Nora Gordon, Associate Professor of Public Policy, Georgetown University

Sarah Hamersma, Associate Professor of Public Admin and Int'l Affairs, Syracuse University

Eric Hanushek, Senior Fellow, Stanford University

Michael Harris, Associate Professor, Southern Methodist University

James Hearn, Professor, University of Georgia

Carolyn Heinrich, Professor of Public Policy, Education and Economics, Vanderbilt University

Donald E. Heller, Provost and Vice President of Academic Affairs, and Professor of Education, University of San Francisco

Nathaniel G. Hilger, Assistant Professor, Brown University

Nicholas Hillman, Associate Professor, University of Wisconsin-Madison

Mark Hoekstra, Associate Professor of Economics, Texas A&M University

Anne Hornak, Associate Professor and Chair, Central Michigan University

Don Hossler, Senior Scholar, Rossier School of Education, University of Southern California, Dr.

Jason Houle, Assistant Professor of Sociology, Dartmouth College

Caroline M. Hoxby, Scott and Donya Bommer Professor of Economics; Director, Economics of Education Program, National Bureau of

Economic Research, Stanford University & NBER

Scott A. Imberman, Associate Professor of Economics and Education, Michigan State University

Jason Imbrogno, Assistant Professor of Economics, University of North Alabama

Susan Iverson, Professor, Manhattanville College

Brian Jacob, Professor, University of Michigan

Robert Kelchen, Assistant Professor of Higher Education, Seton Hall University

Tammy Kolbe, Assistant Professor, University of Vermont

Phillip Levine, Katharine Coman and A. Barton Hepburn Professor, Wellesley College

Wenli Li, Senior Economic Adviser and Economist, Federal Reserve Bank of Philadelphia

Jason Lindo, Associate Professor, Texas A&M University

Bridget Terry Long, Saris Professor of Education and Economics, Harvard Graduate School of Education

Michael F. Lovenheim, Associate Professor of Policy Analysis and Management, Cornell University

Hugh Macartney, Assistant Professor of Economics, Duke University

Ofer Malamud, Associate Professor, University of Chicago

Richard Mansfield, Assistant Professor, University of Colorado - Boulder

Cheryl Maplethorpe, Retired, MN Office of Higher Education

Jordan Matsudaira, Assistant Professor; former Chief Economist of White House Council of Economic Advisers, Cornell University

Michael Meranze, Professor of History , UCLA

David B. Monaghan, Senior Researcher,
Wisconsin HOPE Lab

Demetri L. Morgan, Assistant Professor of
Higher Education, Loyola University Chicago

Richard Murnane, Research Professor, Harvard
University

Derek Neal, Professor, University of Chicago

Kim Nehls, Executive Director, Association for
the Study of Higher Education

Christopher Newfield, Professor of English,
University of California, Santa Barbara

Michelle Nilson, Associate Professor, Simon
Fraser University

Phillip Olt, Director of Online & Distance
Learning, Maranatha Baptist University

Lindsay C. Page, Assistant Professor, University
of Pittsburgh School of Education

M. Daniele Paserman, Professor of Economics,
Boston University and NBER

Laura Perna, Professor, University of
Pennsylvania

Claudia L. Persico, Assistant Professor,
University of Wisconsin-Madison, School of
Education

Julie Posselt, Assistant Professor, University of
Southern California

Eve Proper, Associate Professor, LIM College

Sean Reardon, Professor of Education,
Stanford University

Sarah Reber, Associate Professor of Public
Policy, UCLA Luskin School of Public Affairs

Alan Rhinesmith, Fellow, National Academy of
Public Administration

Peter Rich, Assistant Professor of Policy
Analysis and Management, Cornell University

Dubravka Ritter, Senior Industry Specialist,
Federal Reserve Bank of Philadelphia

Jonah Rockoff, Professor, Columbia Business
School

Richard M. Romano, Director, SUNY Broome
Community College

Jesse Rothstein, Professor of Public Policy and
Economics, University of California, Berkeley

Shanna Saubert, Associate Director, Research
& Scholarship, NAFSA: Association of
International Educators

Diane Whitmore Schanzenbach, Professor,
Northwestern University

Mark Schneider, President, College Measures

Greg Schuckman, Assistant Vice President,
University Relations, University of Central
Florida

Lauren Schudde, Assistant Professor of Higher
Education, The University of Texas

Judith Scott-Clayton, Associate Professor of
Economics & Education, Teachers College,
Columbia University

Lara Shore-Sheppard, Professor of Economics,
Williams College

Jeffrey Smith, Professor of Economics and
Public Policy, University of Michigan

Kevin Stange, Assistant Professor of Public
Policy, University of Michigan

Thomas H. Stanton, Fellow, National Academy
of Public Administration

Marshall Steinbaum, Economist, Roosevelt
Institute

Amy Swan, Assistant Professor of Higher
Education, George Mason University

Lesley Turner, Assistant Professor of
Economics, University of Maryland

John Tyler, Professor, Brown University

Douglas Webber, Assistant Professor in the Economics Department, Temple University

Kim Weeden, Professor and Chair of Sociology, Cornell University

Mark Wiederspan, Assistant Professor, Arizona State University

Kristine Wright, Former Director, Office of Student Finance, University Of Minnesota

Danny Yagan, Assistant Professor of Economics, University of California, Berkeley and NBER

David J. Zimmerman, Professor of Economics, Williams College

Seth Zimmerman, Assistant Professor of Economics, University of Chicago Booth School of Business

Natasha Quadlin, Ph.D. Candidate, Indiana University

Mian Wu, PhD Student, North Carolina State University

Organizational Signatories

Access Group

Association for Career and Technical Education

Association of Public & Land-Grant Universities

Center for American Progress

Center for Law and Social Policy (CLASP)

Center on Education and the Workforce

GW Institute of Public Policy at George Washington University

The Institute for College Access & Success

Institute for Higher Education Policy

National College Access Network

New America

NCHEMS

Young Invincibles

Student Signatories

Oded Gurantz, Graduate Student, Stanford University