

American Association of Collegiate Registrars and Admissions Officers



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Dear HEA Reauthorization Conferee,

I write on behalf of the undersigned associations representing institutions of higher education, students, and student loan organizations to express our serious concerns about the unwarranted provisions contained in Section 423 of H.R. 4137, the College Opportunity and Affordability Act.

If enacted, Section 423—“Student Loan Information”—would result in wide and mostly unregulated dissemination of a broad range of sensitive nonpublic, personal information on current and former students of institutions that participate in Title IV programs. Specifically, this provision would allow any entity that has entered into an agreement with an institution of higher education for “default-prevention” to request and potentially receive a wide range of highly sensitive private information held by lenders and guaranty agencies on students who attend or attended the school. Such disclosures would be exempted from most protections established under existing federal and state privacy laws. This ill-conceived and unprecedented breach of the most basic principles of sound information practices would thus violate the privacy of millions of Americans and expose them to very likelihood of identity theft and financial loss.


A foundational principle of all privacy laws is that the dissemination of nonpublic personal information should be strictly limited to information-sharing that is necessary to achieve the authorized purpose. Section 423, in contrast, would potentially mandate the disclosure of categories of information unrelated to preventing defaults such as medical records, bank account numbers, employment histories, and salary and credit report information, none of which were ever meant to be broadly and unnecessarily shared. It further compounds this flaw by requiring release of information not only for delinquent borrowers, but also for individuals whose accounts are current. The wide dissemination of broad categories of information on all borrowers, whether or not delinquent, dramatically increases the risk of unintended disclosures and misuse of the information. The door would be open for information not needed for default prevention to be shared and fall into the hands of unintended parties for use identity theft, unauthorized bank withdrawals and other inappropriate or fraudulent activities.

We strongly support default prevention activities and participate in those efforts. We note that under existing law, guaranty agencies are already required upon request to provide schools with appropriate data, including contact information, on delinquent borrowers who received loans for attendance at the school. Information is currently carefully utilized for these purposes and there is no need for the wider dissemination of

data provided in Section 423. Therefore we urge you to strike this provision and reject its inclusion in the final version of the bill to reauthorize the Higher Education Act.

We thank you for your attention to this urgent matter, and welcome the opportunity to work with you and your staff on this important topic.

Sincerely,

A handwritten signature in black ink that reads "Jerome H. Sullivan". The signature is written in a cursive style with a large, looping initial "J".

Jerome H. Sullivan
Executive Director

On behalf of:

American Association of Collegiate Registrars and Admissions Officers (AACRAO)
Association of Community College Trustees (ACCT)
American Association of Community Colleges (AACC)
American Association of State Colleges and Universities (AASCU)
Consumer Bankers Association (CBA)
Education Finance Council (EFC)
National Association of Independent Colleges and Universities (NAICU)
National Association of Student Financial Aid Administrators (NASFAA)
National Council of Higher Education Loan Programs (NCHELP)
Student Loan Servicing Alliance (SLSA)
U.S. Public Interest Research Group (PIRG)
United States Students Association (USSA)