

## Non-profit Debt Collective



# Congress of the United States

Washington, D.C. 20515

June 22, 2022

The Honorable Miguel Cardona  
Secretary  
U.S. Department of Education  
400 Maryland Ave SW  
Washington, D.C. 20202

Dear Secretary Cardona:

It is very troubling to learn that the Department appears to be following advice from activists to inappropriately target an important sector in postsecondary education. There has been public reporting on a meeting between Federal Student Aid Chief Operating Officer Richard Cordray and the Debt Collective to discuss a memo the organization provided on closing private institutions of higher education without congressional authorization. We understand your Department hears from a wide range of stakeholders, but it is concerning to see signs your staff is following instructions from radical groups.

When the conversation on quality is premised on the tax status of an institution, it is distracted from the most important metric to focus on: student success. Many excellent institutions work hard and competently to educate America's students. For example, for-profit institutions educate over half of the truck drivers in this country, who are critical partners to addressing supply chain shortages, and these same for-profit institutions graduate 44 percent of all nurses of color, who served on the frontlines of the COVID-19 pandemic. The Biden administration is reluctant to support these institutions—but blithely writes billions in blank checks to schools like Columbia University which leave graduate students with \$180,000 in student debt and poverty-level wages.<sup>1</sup> All institutions of higher education should be held accountable for serving their students poorly. But arbitrarily targeting for-profit institutions, while ignoring the atrocious outcomes of their non-profit or public peers, illustrates this administration is more focused on partisan politics than the success of our nation's students.

The evidence that the Department is following the recommendations of an outside memo to dismantle career colleges is deeply concerning. The insinuation that the Department believes it

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<sup>1</sup> <https://www.wsj.com/articles/financially-hobbled-for-life-the-elite-masters-degrees-that-dont-pay-off-11625752773>.

has the authority to take these grievous actions without Congressional approval is downright alarming. Taxpayers have had enough of executive action and students desperately need reforms to the antiquated law that governs our country's postsecondary education system. We need to prevent bad actors, regardless of classification, from receiving funds, and we must protect and support the programs doing the job of getting Americans to work.

To help us understand what advice the Department has received and which activists the Department is cooperating with, please provide responses to the following requests.

1. All memos received from the Debt Collective or individuals representing the Debt Collective.
2. All correspondence from the Debt Collective or individuals affiliated with the Debt Collective.
3. A list of all meetings between the Debt Collective or individuals representing the organization and staff in any or all of FSA, the Undersecretary's Office, OPEPD, OPE, OGC, and the Secretary's office.
4. All memos or correspondence created by the Department of Education discussing any material or information received from the Debt Collective.
5. A list of speeches, events, and other activities attended by any appointee in FSA, the Undersecretary's office, OPEPD, OPE, OGC, or the Secretary's office.

Please provide this information without delay and as information from each item requested is available.

Sincerely,



Virginia Foxx  
Ranking Member  
U.S. House Committee on Education and  
Labor



Richard Burr  
Ranking Member  
U.S. Senate Committee on Health, Education,  
Labor and Pensions



UNITED STATES DEPARTMENT OF EDUCATION

THE UNDER SECRETARY

January 11, 2023

The Honorable Virginia Foxx  
Chairwoman  
Committee on Education and the Workforce  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairwoman Foxx:

Thank you for your June 23, 2022, letter to Secretary Miguel Cardona regarding a meeting that the Department's Chief Operating Officer for Federal Student Aid had with representatives of the Debt Collective. Your letter has been forwarded to me, and I am pleased to respond.

The Department shares your view that most institutions are working to do well by their students. The Department also takes seriously its obligation to protect the integrity of the Federal student financial aid programs and to hold institutions—across all tax statuses and control structures—accountable when they violate the rules and requirements of the Title IV Federal student financial aid programs.

The Department receives proposals and meeting requests from many outside organizations, representing a variety of advocacy interests and institutions from all sectors. Department officials also meet with many individuals from these organizations in response to their requests. Any policy or oversight actions we take, however, are developed by Department officials and reflect the law and regulations governing the programs. Moreover, any regulatory changes related to the Title IV programs are informed by representatives of institutions, associations, and other stakeholders through the congressionally mandated negotiated rulemaking and public notice and comment procedures.

We appreciate your interest in this matter. If you have further questions, your staff may contact the Office of Legislation and Congressional Affairs at (202) 401-0020.

Sincerely,

  
James Kvaal





UNITED STATES DEPARTMENT OF EDUCATION  
OFFICE OF LEGISLATION AND CONGRESSIONAL AFFAIRS

May 10, 2023

The Honorable Virginia Foxx  
Chairwoman  
Committee on Education and the Workforce  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairwoman Foxx:

The enclosed documents are a production of materials in response to your June 23, 2022, letter regarding the Department of Education's (Department's) interaction with an organization called the Debt Collective. Today's production bears the bates ranges: HEW-118-(22-006551)-0000001 through HEW-118-(22-006551)-0000156. This production contains 156 pages of documents in total.

The Department is delivering this production via its Microsoft SharePoint external sharing website. The Department is sharing via telephone the password that will decrypt the file containing the production.

The Department is making this production as an accommodation to the Committee and will be in touch with any remaining follow-up. Should you have any questions regarding this document production, please have your staff contact JoAnn Martinez-Shriver at [JoAnn.Martinez-Shriver@ed.gov](mailto:JoAnn.Martinez-Shriver@ed.gov).

Sincerely,

Gwen Graham  
Assistant Secretary  
for Legislation and Congressional Affairs

cc:

The Honorable Bobby Scott, Ranking Member  
Committee on Education and the Workforce

400 MARYLAND AVE., SW, WASHINGTON, DC 20202  
<http://www.ed.gov/>

*The Department of Education's mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.*

