



## INDEPENDENT SECTOR

A vital voice for us all

November 29, 2007

**Chair**  
**Brian A. Gallagher**  
United Way of America

**Vice Chair**  
**J.D. Hokoyama**  
Leadership Education for Asian Pacifics

**Treasurer**  
**Gary L. Yates**  
The California Wellness Foundation

**Secretary**  
**Luz A. Vega-Marquis**  
Marguerite Casey Foundation

**President and CEO**  
**Diana Aviv**

Mr. John Kolotos  
U.S. Department of Education,  
1990 K Street, NW, Room 8018  
Washington, DC 20006

RE: Negotiated Rulemaking for Programs Authorized Under Title IV of  
the Higher Education Act of 1965, as Amended

### BOARD OF DIRECTORS

**Ellen Alberding**  
The Joyce Foundation

**Stephanie Bell-Rose**  
The Goldman Sachs Foundation

**Susan V. Berresford**  
Ford Foundation

**Barry D. Gaberman**  
BoardSource

**Kevin Klose**  
National Public Radio

**Marguerite Kondracke**  
America's Promise Alliance

**Stanley S. Litow**  
IBM Foundation

**Janet Murguia**  
National Council of La Raza

**Andrew D. Plepler**  
Bank of America Charitable Foundation

**Edward Skloot**

**Lorie A. Slutsky**  
The New York Community Trust

**Father Larry Snyder**  
Catholic Charities USA

**Kelvin H. Taketa**  
Hawaii Community Foundation

**William E. Trueheart**

**Paula Van Ness**  
Starlight Starbright Children's Foundation

**Arturo Vargas**  
National Association of Latino Elected  
and Appointed Officials Educational Fund

**Judy Vredenburg**  
Big Brothers Big Sisters of America

**William S. White**  
Charles Stewart Mott Foundation

**Ruth A. Wooden**  
Public Agenda

Dear Mr. Kolotos:

I am writing on behalf of Independent Sector regarding the new student loan forgiveness program for public service enacted by Section 401 of the College Cost Reduction Act of 2007 (Public Law 110-84). We note that Congress included service at 501(c)(3) organizations in the types of public service jobs covered by the student loan forgiveness program and want to emphasize with the Department of Education the importance of maintaining the clear intent of Congress as regulations implementing this provision are developed. Specifically, we call on the Department of Education to ensure that the final regulations preserve the application of the student loan forgiveness program to employment at all 501(c)(3) organizations.

Independent Sector is a nonpartisan membership organization, organized as a 501(c)(3) public charity, that brings the nonprofit community together to make a greater difference in the lives of individuals and their communities. Our coalition of approximately 600 charities, foundations, and corporate philanthropy programs represents a broad cross-section of our nation's nonprofit community, which exists to meet society's needs, frequently in partnership with government, in diverse areas such as education, human services, community development, and health care.

"Public service," as that term is commonly understood, entails work performed in both the public and nonprofit sectors. The nonprofit sector's vital partnership with the federal government was highlighted at a recent hearing of the Ways and Means Subcommittee on Oversight. In his opening statement, Chairman John Lewis (D-GA) spoke of the "special tie between charities and the government" and stressed that the government alone cannot address important needs in our communities. He concluded, "We must strengthen the nonprofit sector so that we can deliver more services to more Americans." Ranking Member Jim Ramstad (R-MN) added, "We know

our charities do extremely important work across America, and Congress should promote a vibrant charitable community.”

America’s nonprofit community on which the federal government and the American people rely includes more than 1.5 million organizations, large and small, committed to improving lives. Its impact is a result of the talent and dedication of millions of volunteers and a workforce of 11.7 million paid employees. Because nonprofit organizations are generally unable to offer the compensation packages and profit-sharing programs provided by for-profit organizations, their participation in the student loan forgiveness program is critical to their ability to attract the talented young people necessary to carry out their important work.

As it formulated the student loan forgiveness provision, Congress was well aware of the need to encourage young people to embark on careers in public service, including positions at 501(c)(3) organizations. It is important that the regulations reflect the clear intent of Congress by providing that work at *any* 501(c)(3) organization is included in this program.

Thank you for your consideration of this important matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Patricia Read".

Patricia Read  
Senior Vice President, Public Policy and Government Affairs  
Independent Sector