

November 6, 2017

The Honorable Kevin Brady
Chairman
Ways and Means Committee
United States House of Representatives
1106 Longworth House Office Building
Washington, DC 20515

The Honorable Richard Neal
Ranking Member
Ways and Means Committee
United States House of Representatives
1106 Longworth House Office Building
Washington, DC 20515

Re: Higher Education Provisions in H.R. 1 the *Tax Cuts and Jobs Act*

Dear Chairman Brady and Ranking Member Neal:

The National Adult Learner Coalition, a group of organizations who have combined memberships that include over 1000 colleges and universities, are writing to express our concerns with H.R.1, the Tax Cuts and Jobs Act, and its elimination of the Lifetime Learning Credit and Section 127 of the Internal Revenue Code.

Our organizations are focused on how the nation's public policies can better support the adult learner. As you surely are aware, our economy depends more and more on having a skilled and adaptable workforce. But we cannot meet the talent needs of business and industry without more adults seeking—and attaining—postsecondary training and credentials.

As a country we should be providing more support to low- and middle-income workers who want to gain more skills to access high-demand, high-wage jobs. Instead, H.R. 1 is taking away some of the only financial incentives that help the adult learner pursue education and training – something that is critically needed for the nation's overall economic competitiveness.

The Lifetime Learning Credit is being repealed in favor of a slight and inadequate expansion of the American Opportunity Tax Credit. The proposed AOTC does not provide a financial benefit for less than half-time students. If tax credits are to be used to support the adult learner, they need to be designed in a way that reflects the reality of how adults engage with higher education. Adult learners are often working while learning, which means attending college part-time and over several years.

Section 127, meanwhile, has long been an important way for the federal government to incentivize employer investment in worker education. Without Section 127, employer-provided tuition assistance would count as taxable income to the worker. That means that an employee who is fortunate enough to have an employer willing to pay for their college tuition would end up paying additional income taxes. This educational benefit would no longer be attractive to workers who may not be able to afford to go to college otherwise. Employers will be less likely to offer tuition plans to avoid the added burden of having to report this benefit for each employee.

Section 127 is a popular part of our tax code because it recognizes the value of employer educational investment as well as the need to reduce the cost of education for the working adult.

We urge you to consider these issues regarding H.R.1, and we hope that you can be counted on to maintain the Lifetime Learning Credit, Section 127, and continue to support adult learners in their unique paths to completion. Thank you for your consideration.

Sincerely,

The National Adult Learner Coalition

Pamela Tate
President and CEO
Council for Adult and
Experiential Learning

Kathleen S. Ives
Chief Executive Officer and
Executive Director
Online Learning Consortium

Robert Hansen
Chief Executive Officer
UPCEA