

March 21, 2014

Honorable Dave Camp
Chairman, House Committee on
Ways and Means
1102 Longworth House Office Building
Washington, DC 20515

Honorable Sander M. Levin
Ranking Member, House Committee on
Ways and Means
1106 Longworth House Office Building
Washington, DC 20515

Dear Chairman Camp and Ranking Member Levin:

The American Dental Association (ADA), American Dental Education Association (ADEA), Academy of General Dentistry, and American Student Dental Association (ASDA) are pleased to register our strong support for H.R. 1527, the Student Loan Interest Deduction Act of 2013. This bill would expand the federal income tax deduction for student loan interest.

We are extremely concerned about the alarming levels of educational debt that dental students face upon graduation. In 2013, the average educational debt per graduating dental school senior was \$215,145.¹ Factoring out the 10.8 percent of dental school seniors who graduated with no debt, the average debt per graduating dental school senior was \$241,097 (\$209,150 for graduates from public dental schools and \$283,978 for graduates from private and private state-related dental schools).^{2,3}

Educational debt plays a role in postgraduate career planning. Over thirty percent of dental school seniors graduating in 2013 reported that educational debt influenced their primary postgraduate activity choice.⁴ Over two thirds (65 percent) said the perceived impact of educational debt influenced their decision to go into private practice immediately after graduation rather than public service, teaching, research, and/or administration.⁵

If enacted, H.R. 1527 would increase the allowable student loan interest deduction from \$2,500/year to \$5,000/year. It would also eliminate the legal limit on how much income an individual can earn to claim the deduction. It will not eliminate the significant burden of dental student debt, but it is an important step in that direction.

We applaud Rep. Charles Rangel for introducing this important legislation and are pleased to offer our enthusiastic support. If you have any questions, please contact Ms. Jennifer Fisher at the American Dental Association. Jennifer can be reached at 202-789-5160 or fisherj@ada.org.

Sincerely,

American Dental Association
Academy of General Dentistry
American Dental Education Association
American Student Dental Association

¹ Annual American Dental Education Association Survey of Dental School Seniors, 2013 Graduating Class: Table 8. Average amount of educational indebtedness* of graduating dental students by all schools combined and by type of school, 1990 and 1996-2013.

² Annual American Dental Education Association Survey of Dental School Seniors, 2013 Graduating Class: Table 11. Level of seniors' educational debt* by type of school, 2013.

³ Annual American Dental Education Association Survey of Dental School Seniors, 2013 Graduating Class: Table 12. Average graduating educational debt* of 1996–2013 graduates with debt, by type of school.

⁴ Annual ADEA Survey of Dental School Seniors, 2013 Graduating Class: Table 29. Influence of educational debt on seniors' primary activity choice upon graduation, by percentage of total 2013 respondents.

⁵ Annual ADEA Survey of Dental School Seniors, 2013 Graduating Class: Table 25. Seniors' immediate plans after graduation by extent of perceived impact of educational debt on career plans, by percentage of total 2013 respondents.