

The Honorable Kevin Brady
Chairman, Committee on Ways and Means
1102 Longworth House Office Building
Washington, DC 20515

Dear Chairman Brady:

As you meet to reconcile differences between the House and Senate tax reform measures, the American Association of Colleges of Osteopathic Medicine (AACOM) would like to highlight our priorities regarding the higher education provisions in both bills.

AACOM represents the 34 accredited colleges of osteopathic medicine in the United States. These colleges are accredited to deliver instruction at 49 teaching locations in 32 states. In the current academic year, these colleges are educating nearly 29,000 future physicians—more than 20 percent of all U.S. medical students. Six of the colleges are public and 28 are private institutions.

The House bill eliminates an existing above-the-line deduction for interest paid on student loans, college tuition and related expenses. It also eliminates the tax-free tuition benefit for university employees and graduate students who serve as teaching and research assistants. ***We strongly urge the final conference to retain these critical tax relief provisions for Americans.***

Medical students shoulder more than double the average student debt of undergraduate students. Simultaneously, our country is suffering from a lack of access to health care, especially in rural and medically underserved areas. Osteopathic medical education produces graduates who work to address the physician workforce shortage, and according to the most current AACOM data, 33 percent of graduates indicate their intent to specialize in the primary care specialties of family practice, general internal medicine, or general pediatrics. Unfortunately, eliminating these important tax benefits would be detrimental to the nation's physician workforce, and in tandem, could limit patient access to care.

Furthermore, private activity bonds are issued to help private organizations like colleges and universities build much-needed new medical facilities and conduct capital improvements. These bonds are a vital tool used by our institutions to enhance their ability to continue teaching and training future physicians. The House elimination of private activity bonds would have a negative impact on our institutions' ability to modernize and grow their infrastructure.

In addition, both the House and Senate bills impose a 1.4% tax on the investment income of private university endowments, with the House threshold set at endowments of \$250,000 per

full-time student or more, and the Senate threshold set at \$500,000. Endowment investment supports the financial health of many universities, and taxing the income directly impacts their ability to serve their students, and to offer tuition and other forms of financial assistance.

On behalf of osteopathic medical schools and students, we respectfully urge you to resolve these important issues in conference, and in particular, for the conferees to reject the aforementioned House provisions excluded in the Senate bill.

Respectfully,



Stephen C. Shannon, DO, MPH
President and CEO

cc:

The Honorable Devin Nunes
The Honorable Peter Roskam
The Honorable Kristi Noem
The Honorable Diane Black
The Honorable Richard Neal
The Honorable Sander Levin
The Honorable Lloyd Doggett
The Honorable Orrin Hatch
The Honorable Michael Enzi
The Honorable Lisa Murkowski
The Honorable John Cornyn
The Honorable John Thune
The Honorable Rob Portman
The Honorable Tim Scott
The Honorable Pat Toomey
The Honorable Ron Wyden
The Honorable Bernie Sanders
The Honorable Patty Murray
The Honorable Maria Cantwell
The Honorable Debbie Stabenow
The Honorable Robert Menendez
The Honorable Thomas Carper