

Mitch Daniels, President of Purdue University, said, “This bill provides exactly the kind of legislative framework Purdue has been advocating for years. The legislation’s central feature—the need for clear disclosures—has been a hallmark of our own Back a Boiler ISA program since its launch. Another of its features—a formal definition of “income share agreement”—clarifies that an ISA is not a loan but is rather a separate and distinct type of ‘financial product’. This clarification is central to establishing, at long last, that ISAs provide a funding alternative to loans and the hard-and-fast principal and interest obligation that comes with them. We’ve long said an income share agreement is not a complete solution, and it’s not for everyone. But for some it may very well be a preferable education funding option compared to the traditional loan program that’s led to the current student debt crisis. Much of the confusion surrounding ISAs has been caused by the absence of clear federal standards, and this bill goes a long way toward filling that gap.”

Maria Flynn, CEO of Jobs for the Future, said, “The cost of higher education and workforce training has skyrocketed and has become a significant economic challenge for our nation. JFF applauds Senators Warner and Young for this legislation, which would support the exploration of income share agreements (ISAs) as an alternative model for financing higher education and training. JFF recognizes that there are risks associated with ISAs, which is why we are pleased to see that this legislation would provide clear definitions, parameters, and consumer protections for students.”

Jordan Wicker, Executive Director of Invest in Student Advancement Alliance, a nonprofit association of education and workforce ISA community members, said, “The Invest in Student Advancement Alliance congratulates Sens. Young, Warner, Coons, and Rubio for their efforts to improve access and equity in both higher education institutions and training programs through the introduction of the bipartisan ISA Student Protection Act of 2022. Income Share Agreements provide a private financing alternative to traditional education loans by, most notably, sharing the risk of future employment with affordable income dependent obligations. The proposed legislation achieves this laudable objective in a manner that ensures legal clarity, transparency and fundamental fairness for ISA-enabled education providers.”

Mark Brown, Executive Director of Student Freedom Initiative, said, “Student Freedom Initiative® has issued 130 Income Contingent Alternatives to Parent PLUS and private loans to junior and senior STEM students at Historical Black Colleges and Universities (HBCU). Disbursements total just over \$1.75M with an average disbursement of \$13,672 per student. Sixty-three percent of HBCU students use Parent PLUS loans which default at five times the rate as similar instruments and the debt is held twice as long. We must invest in these students and not strap their parents with debt they cannot reasonably pay. Issuing conventional loans to

families of limited means, some already in poverty, is unethical. Student Freedom Initiative strongly supports providing students, especially those living at or below the poverty level, with innovative solutions to financing their higher education, and we hope Congress will provide sensible regulations and legal certainty to those engaged in this effort.”

Peter Callstrom, President & CEO of the San Diego Workforce Partnership, said, “The ISA Student Protection Act is a significant step forward in shaping the promising ISA model into a safe, sustainable, student-centric source of funding for workforce training. This legislation will empower entrepreneurial and innovative agencies like ours to continue exploring how ISAs can expand the reach and impact of talent development strategies.”

Jason Wang, Founder & CEO of FreeWorld, said, "FreeWorld is a tech nonprofit that helps people with criminal histories get into six-figure careers in the trucking industry within 45 days. Income share agreements allow our graduates to pay it forward to help the next student go to school, which reinvests their success into their own communities. We're excited that this legislation will help build a level playing field that gives our students access to legitimate second chance opportunities to take care of their families and to live a positive, fulfilling life, prison-free."

Taylor Maag, Director of Workforce Development Policy for Progressive Policy Institute, said, “The Progressive Policy Institute has long supported Income-Share Agreements as a bold and innovative model for financing postsecondary education and training. These models can help nudge institutions and providers toward greater accountability for results and promote equitable access to higher education. The ISA Student Protection Act of 2022, recently introduced by Senators Warner and Young, builds off of previous versions of the bill to ensure ISA models are of higher quality - ensuring greater transparency for students and providers as well as stronger consumer protections. PPI applauds this effort to fix higher education financing and supports the bill’s commitment to expand postsecondary opportunities for today’s students, while ensuring the necessary protections for their success.”

Kevin James, founder and CEO of Better Future Forward, a nonprofit using ISAs to support economic mobility, said, "Well-designed ISA programs open up support for students underserved in the current system, and they do so in a way that is affordable and aligned to students' educational and career success. To ensure all students are protected and can benefit from these options, we need a strong, well-designed consumer protection framework built around the risk-sharing nature of ISAs. This bipartisan legislation is a strong step forward in that regard, and I commend Sens. Young, Warner, Coons, and Rubio for their work on it.”