

Dental Residents' Student Loan Debt Burden

The REDI Act (S. 942/H.R. 2028)

The *Resident Education Deferred Interest (REDI) Act* is bipartisan legislation introduced by Senators Jacky Rosen (D-NV) and John Boozman (R-AR) and Representatives Brian Babin (R-TX) and Chrissy Houlahan (D-PA). The bill provides a reasonable way to alleviate the unprecedented student loan debt burden faced by dental and medical residents and will help ensure a financially sustainable future for our healthcare workforce.

What the REDI Act does:

- Ensures that medical and dental residents qualify for an interest-free deferment on their federal student loans until after their residency is completed.
- Suspends both payments and interest accrual during the deferment period, preventing additional debt accumulation.

Why legislation is needed:

- 78% of dental graduates leave school with an average student debt of \$312,000.
- Interest rates are excessively high. Many borrowers face 9.5%–10.5% interest rates on federal Direct Unsubsidized Stafford and Grad PLUS Loans.
- Many new dentists enter low or unpaid residencies. For new dentists who pursue additional training or academic careers with lower salaries, immediate loan repayment is unrealistic.
- Current deferment options are inadequate. While some borrowers can apply for temporary deferment or forbearance, interest continues to accrue, adding thousands of dollars to their debt—an unfair financial penalty for those pursuing residency training or academic careers. As a result, total repayment amounts can double or even triple the original loan balance.

How the REDI Act strengthens the dental workforce:

- Reducing financial barriers will encourage more young dentists to practice in rural and underserved communities.
- Dentists will be more likely to consider education, research, and public health careers.
- Dental residents will have equal access to interest-free loan deferment, reducing financial barriers to advanced training.

Please cosponsor and support the *Resident Education Deferred Interest (REDI) Act* to relieve the financial burden on future healthcare professionals and improve access to dental care.