



ASOCIACIÓN DE COLEGIOS Y UNIVERSIDADES PRIVADAS DE PUERTO RICO

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October 14, 2016

American University
of Puerto Rico

Caribbean University

Centro de Estudios
Avanzados de Puerto
Rico y el Caribe

EDP University

Pontificia Universidad
Católica de Puerto Rico

Sistema Universitario
Ana G. Méndez

Universidad Adventista
de las Antillas

Universidad
Carlos Albizu

Universidad Central
de Bayamón

Universidad Central
del Caribe

Universidad
Interamericana de Puerto
Rico

Universidad
Politécnica de
Puerto Rico

Universidad del
Sagrado Corazón

The Honorable Orrin G. Hatch
Chairman Congressional Task Force on Puerto Rico
104 HSOB
Washington, DC 20510

VIA ELECTRONIC MAIL (e-mail) prtaskforce@mail.house.gov

Dear Chairman Hatch,

Greetings from *Asociación de Colegios y Universidades Privadas de Puerto Rico* (ACUP) [The Association of Private Colleges and Universities of Puerto Rico]! As you well know, ACUP represents the Hispanic Serving Institutions (HSIs) in Puerto Rico, the home of approximately 3.4 million American Citizens. ACUP was founded in 1984 by the presidents of the private not-for-profit colleges and universities in Puerto Rico (PR). It is recognized as Puerto Rico's most prestigious association of private higher education institutions with memberships made up of major and well established private colleges and universities on the island, all accredited by the Middle States Commission on Higher Education (MSCHE), with an estimated enrollment of 121,962 out of 178,355 students in private higher education institutions in PR. These are the following:

- ❖ American University of PR
- ❖ Caribbean University
- ❖ *Centro de Estudios Avanzados de Puerto Rico y el Caribe* [Center for Advanced Studies of Puerto Rico and the Caribbean]
- ❖ EDP University
- ❖ *Pontificia Universidad Católica de PR* [Pontifical Catholic University of PR]
- ❖ *Sistema Universitario Ana G. Méndez* [Ana G. Méndez University System]
- ❖ *Universidad Adventista de las Antillas* [Antillean Adventist University]
- ❖ *Universidad Carlos Albizu* [Carlos Albizu University]
- ❖ *Universidad Central de Bayamón* [Central University of Bayamón]
- ❖ *Universidad Central del Caribe* [Central University of the Caribe]
- ❖ *Universidad Interamericana* [Inter American University]
- ❖ *Universidad Politécnica* [Politechnic University]
- ❖ *Universidad del Sagrado Corazón* [University of the Sacred Heart]

ACUP is committed to its mission of promoting the development of private higher education. During the past 32 years ACUP has developed its action plan with vision

and leadership. The active participation of the presidents of the private colleges and universities is dedicated to the purposeful integration of well-thought-out analyses achieved by consensus. ACUP provides its members a forum to share and benchmark information, address the challenges that face higher education, and serve as a united voice of the private colleges and universities in efforts to improve, benefit, and sustain the well-being of the Puerto Rican society.

At the Ordinary Meetings held on 22 August and 11 October 2016, the membership unanimously approved to request that ACUP collaborate with the Congressional Task Force on Puerto Rico in its efforts to address the issues which relate to the challenges of Puerto Rico's higher education in our contemporary society. In addition, ACUP looks forward to highlighting its contributions.

It would be extremely remiss to ignore the private sector which at the present time has a greater number of students enrolled than the public state university, represents 74% of the students enrolled in higher education on the islandⁱ, and therefore a greater number of students who are recipients of Pell Grants and/or participate in other federal programs since 75% of our students come from families whose annual income is \$19,999.00 or less. Puerto Rico must be evaluated in a different context. If local indicators are taken into account then there is the likelihood of stimulating appropriate economic growth and development for the island while at the same time assuring the quality of our institutions and programs of higher education. This differentiation is based on prevalent risk factors that impact our retention, graduation, boards (exams), student debt, and employment.

Furthermore, there is an ongoing effort by the private sector of Puerto Rico to convince Congress of the need to reinstate an economic incentive for US corporations operating on the island which would bring a much needed stimulus to our economic stagnation. The proposal that has been put forward is to amend Section 245 of the Internal Revenue Code. The amendment would permit US companies operating in Puerto Rico to repatriate earnings from their operations in PR and deduct 85% of said earnings as a credit in their federal tax returns, thus paying federal income taxes for the remaining 15%. The main tool that any country or territory has at its disposal to insure and sustain present and future economic development beyond any economic incentive is the education of its youth. Hence, if Congress decides to provide a powerful economic incentive via Section 245, which will guarantee great profits to those US corporations on the island, then Congress should make certain Puerto Rico may continue to bring economic growth to future generations by creating educational opportunities for its youth. ACUP proposes that Congress creates an educational component to the proposed amendment of Section 245. This would be achieved by requiring the beneficiary corporations to fund an Educational Economic Assistance Fund with a percentage of either the profits generated and not repatriated or by imposing an educational toll gate tax to the profits repatriated. Either way, the idea would be to provide economic assistance to students of higher education with scarce economic resources and consequently create economic development through education.

Also, ACUP is aware of the result of the increase migration of the population from Puerto Rico to the 50 states and the effect this migratory movement will have on our student registrations. Therefore, we have begun an aggressive campaign to attract foreign students to the institutions of higher education in the island. However, students moving to PR from a foreign country need a student visa, which, according to our political condition, needs to be issued by the US government. The private sector has asked the US government to provide greater flexibility in the issuance of this type of visa. We endorse this petition and request that the US government consider providing special priority status to student visas that seek to visit Puerto Rico for the

purpose of studying and/or obtaining a higher education degree. This would have an immediate impact in the finances of our institutions and the economy in general.

We trust that the Congressional Task Force on Puerto Rico will be doing an in-depth analysis of the educational situation on the island as well as exploring and searching for ways and means to assist the whole educational system including the private sector which plays a predominant role. If you have any questions then please feel free to contact Dr. Carmen J. Cividanes-Lago, Executive Director of ACUP, and/or Mr. José Alfredo Ortiz-Dalio, Esq., Government Relations Counsel of ACUP at (787) 448-9659 or (787) 420-0002, respectively.

We thank you for your consideration to this matter.

Yours sincerely,



Dr. Lillian Negrón Colón
President ACUP and
President *Universidad Central de Bayamón* [Central University of Bayamón]

CJC/Inv

- c Members ACUP
Dr. Carmen J. Cividanes-Lago, Executive Director ACUP

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Estado Libre Asociado de Puerto Rico
Consejo de Educación de Puerto Rico
Área de Evaluación, Planificación, Estadísticas e Investigación

Matrícula por género de las instituciones de educación superior de Puerto Rico
Año Académico 2014-15

Institución/sector	Masc	Fem	Total	
Público	27,262	35,261	62,523	26%
(Universidad de Puerto Rico)	24,478	32,996	57,474	24%
Privado	73,802	104,553	178,355	74% ACUP = 68%
Privado sin fines de lucro	54,048	77,332	131,380	55%
(ACUP)	50,303	71,659	121,962	51%
Privado con fines de lucro	19,754	27,221	46,975	19%
Total de matrícula	101,064	139,814	240,878	