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GEORGE MILLER, CA
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AND THE WORKFORCE

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January 22, 2013

VIA FACSIMILE (203) 776 - 7796

Mr. Miles Lasater
President, Chairman, and Chief Operating Officer
Higher One Holdings, Inc.
115 Munson Street
New Haven, CT 06511

Dear Mr. Lasater:

As you may know, last June I opened an inquiry into the use of debit cards in the disbursement of student financial aid and asked the U.S. Department of Education Inspector General and the Consumer Financial Protection Bureau to examine the issue as well. I appreciate your company's representatives meeting with my staff to discuss the issue in the weeks that followed, as well as your continued correspondence. I write today to seek further information on this practice.

As financial aid funds are disbursed to students this week, I am deeply concerned students using debit cards will have difficulty accessing their funds free of fees. It has come to my attention that while hundreds of thousands of California students, including those at nearly half of California's community colleges, access their aid through your debit cards, your company appears to maintain only 116 fee-free ATMs across the state. This limited number of ATMs raises important questions about the adequacy of fee-free access to student aid, particularly for students attending large campuses, commuting students and online students. According to the May 2012 US PIRG report on this issue, students have reported that, due to limited fee-free ATMs, lines at your ATMs on campus can be as long as 50 students in the days after financial aid funds are disbursed. They have also reported that such ATMs often carry insufficient funds or are not accessible 24 hours a day, seven days a week, leaving students no option but to use foreign ATMs.

It appears that 21 campus locations in California utilizing the Higher One debit card service have no fee-free ATM access for their students at all, apparently requiring students to travel up to 100 miles if they wish to avoid ATM fees when accessing their student aid funds. If a student cannot access free ATMs, they have no choice but to rely on other bank ATMs, presumably incurring a fee from your company in addition to the fee they will incur from the foreign bank ATM. Such fees to access their Federal, State, and institutional aid deplete already-limited Pell Grant, Federal student loan and CalGrant dollars.

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It is incumbent upon all stakeholders, including Federal and state policymakers and institutions of higher education, to ensure that policies are in place to protect students from unscrupulous practices, that disbursement arrangements are agreed to with students' best interest in mind, and that fees associated with any particular disbursement method are transparent, fair, and avoidable.

As part of my ongoing inquiry, I respectfully request that you provide me with the following information:

1. Please review the attached "Chart of California Campus ATMs" to ensure my understanding of ATM placement on campuses at institutions serviced by Higher One in California is accurate.
2. Please provide a complete list of the number and location of ATMs on campuses you service across the country, including satellite campuses for larger institutions, and the number of students each ATM is expected to serve.
3. Please describe what policies, if any, are in place to provide a full and automatic refund for any ATM fee a student may incur, from your company or others, if your ATMs fail, run out of money, are not accessible 24 hours a day or are not easily accessible by a student on campus or online.

I appreciate your attention to this matter and ask that you provide your response within 30 days. If you have any questions in the interim, please feel free to contact me directly or contact Jamie Fasteau (Jamie.fasteau@mail.house.gov) or Rich Williams (rich.williams@mail.house.gov) of my staff, who can be reached at (202) 225-3725.

Sincerely,



GEORGE MILLER
Senior Democratic Member

Attachment: Chart of California Campus ATMs

Chart of California Campus ATMs

Preliminary research of Higher One ATM locations on partnering California college campuses, using online Higher One ATM Locator

College/Satellite Campuses When Applicable		Has a Higher One ATM? (Y/N)	Number of Higher One ATMS	Driving Miles to Nearest Higher One ATM
Allan Hancock College	Santa Maria	Y	2	
	Lompoc Valley Center	Y	1	
	Solvang Center	N	0	20.5
	Vandenberg AFB	N	0	7.2
American River College	Main Campus	Y	1	
Antelope Valley College	Main Campus	Y	2	
	Palmdale Center	N	0	10.3
Berkeley City College	Main Campus	Y	1	
Butte College	Main Campus	Y	2	
	Chico Center	Y	1	
	Glenn County Center	Y	1	
Cabrillo	Aptos (Main)	Y	2	
	Watsonville Center	Y	1	
	Scotts Valley Center	N	0	10.7
Cerritos College	Main Campus	N	0	N/A
Chabot College	Main Campus	Y	2	
Chaffey College	Chino Campus	Y	1	
	Fontana Campus	Y	1	
	Rancho Cucamonga Campus	Y	1	
College of Alameda	Main Campus	Y	1	
College of the Canyons	Valencia Campus	Y	3	
	Canyon Country	Y	1	
College of the Redwoods	Eureka Campus	Y	1	
	Del Norte Campus	N	0	94.4
	Mendocino Coast	N	0	126
College of the Sequoias	Visalia Campus	Y	2	
	Hanford Educational Center	N	0	22.8
	Tulare Center for Agriculture and Technology	Y	1	
Columbia College	Main Campus	Y	1	
Cosumnes River College	Main Campus	Y	1	
CSU Fresno	Main Campus	Y	4	
Cuesta College	Main Campus	Y	2	
	Paso Robles Campus	Y	1	
Cypress College	Main Campus	N	0*	10
De Anza College	Main Campus	Y	1	
East Los Angeles College	Main Campus	Y	3	
	South Gate Educational Center	Y	1	
Evergreen Valley College	Main Campus	Y	2	
Folsom Lake College	Main Folsom Campus	Y	1	
	El Dorado Center	Y	1	
	Rancho Cordova Center	Y	1	

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College/Satellite Campuses When Applicable		Has a Higher One ATM? (Y/N)	Number of Higher One ATMS	Driving Miles to Nearest Higher One ATM
Foothill College	Main Campus	Y	1	
	Middlefield Campus	N	0	5.2
Fullerton College	Main Campus	Y	1	
	La Habra Campus	N	0	3.9
Hartnell College	Main Campus	Y	1	
	Alisal Campus	Y	1	
	King City Education Center	N	0	45.6
Imperial Valley College	Main Campus	Y	2	
International Academy of Design and Technology	Main Campus	N	0	N/A
Irvine Valley College	Main Campus	Y	2	
Los Angeles Trade Technical	Main Campus	Y	2	
Laney College	Main Campus	Y	1	
Las Positas College	Main Campus	Y	1	
Long Beach City College	Liberal Arts Campus	Y	1	
	Pacific Coast Campus	Y	1	
Los Angeles City College	Main Campus	Y	2	
Los Angeles Harbor College	Main Campus	Y	2	
Los Angeles Mission College	Main Campus	Y	2	
Los Angeles Southwest College	Main Campus	Y	1	
Los Angeles Valley College	Main Campus	Y	2	
Merritt College	Main Campus	Y	1	
Mission College	Main Campus	Y	2	
Modesto Junior College	East Campus	Y	2	
	West Campus	Y	1	
Moorpark College	Main Campus	Y	2	
Mount San Antonio College	Main Campus	Y	6	
Ohlone College	Fremont Campus	Y	1	
	Newark Center	Y	1	
Oxnard College	Main Campus	Y	2	
Pierce College	Main Campus	Y	2	
Sacramento City College	Main Campus	Y	1	
	Davis Center	Y	1	
	SCC West Sacramento Center	Y	1	
Saddleback College	Main Campus	Y	3	
San Joaquin Delta College	Stockton Main Campus	Y	3	
	Mountain House	N	0	33.4
San Jose City College	Main Campus	Y	1	

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College/Satellite Campuses When Applicable		Has a Higher One ATM? (Y/N)	Number of Higher One ATMS	Driving Miles to Nearest Higher One ATM
Shasta College	Main Campus	Y	2	
	Downtown Redding	N	0	6.4
	Tehama Campus	Y	1	
	Trinity Campus	N	0	49.3
	Intermountain Campus	N	0	48.7
Solano Community College	Fairfield Campus	Y	1	
	Vacaville Campus	Y	1	
	Vallejo Campus	Y	1	
	Travis Air Force Base	N	0	11.4
Ventura College	Main Campus	Y	2	
	Santa Paula site	Y	1	
Victor Valley College	Main Campus	Y	2	
	Regional Public Safety Training Center	N	0	51.7
West Los Angeles College	Main Campus	Y	2	
West Valley College	Main Campus	Y	1	
	Campbell Educational Development Center	N	0	6.1
Yuba College	Main Campus	Y	1	
	Woodland Community College	Y	1	
	Clear Lake Campus	N	0*	80
		Total # of ATMs:	116	

*Coming soon