

Is college only for the rich?

A letter to the Senate HELP Committee

Reform our education system and make college affordable

Tuesday, November 10, 2009

Dear Senator Harkin and Senator Enzi,

As national organizations representing millions of people all across the country, we write to strongly urge you to support the principles of President Obama's higher education agenda. The President's plan would end wasteful subsidies to student loan companies and use the savings—as much as \$87 billion over 10 years—to help students pay for college. The House of Representatives passed similar legislation, HR-3221, by a vote of 253-171.

Helping low and middle-income families pay for college is essential to building a strong economic future and ensuring equal opportunity for all. But today, family wealth often determines whether a person can attend college. **Pell Grants, federal grants for students with the most financial need, covered 72% of the average cost of attending a public four-year college in 1976, but only 32% of this cost in 2008.** The proportion of students graduating with at least \$25,000 worth of student loan debt has increased, from 5% in 1996 to 24% in 2008, and, as a result, many lower or middle-income young adults are too burdened to enroll in and continue attending college. Meanwhile, shrinking state revenues have led to dramatic cuts in public college budgets, resulting in large-scale tuition increases. Some schools have also capped enrollment and reduced faculty levels. These trends help explain why the U.S. is falling behind in education: Americans ages 35-54 rank second worldwide in percentage of college graduates, but those ages 25-34 now rank 10th.

At a time when our country is in great need of investment in education, these reforms will aid students, parents and workers through crucial innovations:

- **Strengthening Pell grants by investing funds** to increase the maximum grant to \$5,500 in 2010 and \$6,900 in 2019, allowing several hundred thousand more students to qualify for aid.
- **Supporting the Perkins loan program** to help decrease the number of undergraduates who rely on risky private loans (the share of undergraduates with these loans increased from 5% to 14% between 2004 and 2008), and allow more students at state schools to benefit from the program.
- **Investing in Community Colleges and worker retraining programs** by enhancing student instruction, student counseling and other supports for community college students, by supporting partnerships between schools and businesses, and by increasing access to online curriculum to meet the needs of our workforce.
- **Switching to direct federal lending** to end costly subsidies, ensure that borrowers no longer have to face market instabilities and can instead utilize more economical direct loans, and save \$87 billion dollars to be invested into education and a fiscally responsible future.
- **Providing new major support for minority serving institutions**, which are of critical importance in light of their emerging relevance to the ultimate achievement of national goals related to college access and completion.
- **Simplifying the FAFSA form** to lighten the load on students and families applying for aid through this daunting process.
- **Investing in early childhood education programs** to encourage the adoption of early childhood learning standards and best practices, along with the training of a skilled child education workforce.

All these reforms are important to meet America's workforce needs, which, at the current rate, the U.S. will fall short of meeting by 16 million graduates in 2025. We hope we can count on you to stand with America's students and families, and support a proposal that will strengthen our economy and our nation's commitment to economic opportunity for all.

Sincerely,

- Accountable America
- AFL-CIO
- American Association of College Registrars and Admissions Officers
- American Association of University Women
- American Federation of Teachers
- American Medical Student Association
- Americans for Democratic Action
- Americans for Fairness in Lending
- Campaign for America's Future
- Campaign for College Affordability
- Campus Progress, Center for American Progress
- Center for Responsible Lending
- Coalition on Human Needs
- College Democrats of America
- Consumer Action
- Consumers Union
- Demos
- Education Trust
- Feminist Majority
- MomsRising
- National Association for College Admission Counseling
- National Association for Equal Opportunity in Higher Education
- National Association for Social workers
- National Association for the Advancement of Colored People
- National Black Student Law Association
- National Center for Public Policy and Higher Education
- National Consumer Law Center
- National Consumers League
- National Council of La Raza
- National Education Association
- National Women's Law Center
- New Jersey Citizen Action
- Public Citizen
- Rock the Vote
- Roosevelt Institute Campus Network
- Sargent Shriver National Center on Poverty Law
- Student Association for Voter Empowerment (SAVE)
- The First Five Years Fund
- The Greenlining Institute
- The Institute for College Access and Success
- The National Advocacy Center of the Sisters of the Good Shepherd
- Thurgood Marshall College Fund
- USAction
- United Negro College Fund
- Union Plus
- United States Public Interest Research Group (US PIRG)
- United States Student Association
- Virginia Organizing Project
- Young Democrats of America
- YouthBuild USA

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