



**Capitol Hill Day
June 12, 2014**

Access and Affordability for College Students

Student loan burdens have grown dramatically as states have reduced funding for public higher education and the costs of higher education themselves have grown. Several measures before Congress would provide relief to students struggling to complete degrees and would assure future generations of access to federal financial aid.

Bank on Students Emergency Loan Refinancing Act

Senator Warren and Representative Tierney (both of Massachusetts) have introduced the Bank on Students Emergency Loan Refinancing Act (S. 2292 and HR. 4582), which would allow eligible holders of existing loans to refinance at the lower rate for new loans set last year by the Bipartisan Student Loan Certainty Act. This measure would dramatically reduce the burden of student loan debt, giving students more opportunity to use the skills developed in college to start businesses and to invest in the economy. The bill would be paid for by assuring those with taxable incomes over \$1,000,000 pay an effective federal tax rate that is the same as for middle class Americans. S. 2292 is before the Committees on Finance and Banking, Housing, and Urban Affairs; HR 4582 is before the Committees on Education and the Workforce and Ways and Means.

Pell Grant Protection Act

In 1979 the maximum Pell Grant paid for 77 percent of the average cost of attendance at an in-state four-year institution of higher education. In 2012 the maximum Pell Grant covered only about 30 percent of that cost of attendance. HR 4373 (Rep. Hinojosa of Texas) and S 2194 (Sen. Hirono of Hawai'i) would make the Pell Grant program a mandatory spending program, would establish a cost-of-living automatic adjustment to the maximum grant amount, and would restore the possibility of receiving the grant for summer term coursework. Removing the uncertainty of Congressional discretionary appropriations from the Pell Grant will improve student access to and the affordability of higher education.

Stopping Unfair Collateral Consequences from Ending Student Success (SUCCESS) Act

Applicants for federal financial aid should not be denied a chance to go to college on the grounds of a drug offense conviction in their past. HR 3510 (Rep. Bass of California) would repeal the provision of the Higher Education Act that denies aid to a future student for a past act already adjudicated by the criminal justice system. HR 3510 is before the Committee on Education and the Workforce.

Student Loan Fairness Act

Another effort to provide relief for student borrowers is offered by HR 1330 (Rep. Bass of California). This bill would establish a 10/10 Loan Repayment Plan for Federal Family Education Loan and Direct Loan borrowers. Payments would be limited to 10 percent of the borrower's income above 150 percent of the federal poverty level, and to ten years of payments for eligible borrowers. The bill would also cap student loan interest rates and Federal Direct Consolidation Loans at 3.4 percent. These reasonable provisions would help students who have in good faith made student loan payments and would relieve students from decades of crushing debt. HR 1330 has been referred to three committees.

The AAUP supports these measures to help our students. Funding for these programs should not come at the expense of other federal student assistance funding.