A New Commitment to Students and Families:
Opening the Door to College for All

A Report Prepared by the
U.S. Senate Committee on Health, Education, Labor, & Pensions
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The Need for a New Federal Commitment to Higher Education

College education has become more important than ever. Yet the cost of college has been rising faster than family incomes, and federal financial aid has failed to keep up. As a consequence, many students are being shut out of college altogether because of unmet financial need. Others have been forced to rely heavily on loans to finance their college educations. Significant student loan debt is increasingly distorting important life decisions, both professional and personal.

Congress must do more to make college affordable for all. Success in obtaining a college degree should be determined by ability and hard work, not by ability to pay. The HELP Committee college access proposals take important steps in the right direction. The College Cost Reduction and Access Act of 2007 and the Higher Education Amendments of 2007 make a new commitment to students and families.

A College Degree: More Important Than Ever

A college education is increasingly important in ensuring success in today's global economy. A college degree improves the chance of being employed, increases expected earnings, and opens the door to the middle class. Students with a bachelor's degree earn 70 percent more on average than those with only a high school diploma. Over a lifetime, the gap in earning potential between a person with a high school diploma and a bachelor's degree is $1 million. *(College Board, 2004)* Professional degrees bring even greater earning potential: a person with a professional degree will earn $3.7 million more than a high school graduate over the course of their lifetime. *(College Board, 2004)* Students and families are fully aware that a college degree is increasingly important. In a recent survey, 87 percent of respondents said that a college education improves job prospects, and half of respondents said that college is necessary to participate in today's economy. *(National Center for Public Policy and Higher Education, 2007)*

The Cost of College is Rising Faster than Income

As a college education has become increasingly essential for economic success, the cost of college has become a greater barrier to students in obtaining a degree. The cost of college has been rising faster than inflation and faster than income. The cost of attending a public four-year college increased 40 percent between the 2000-2001 and 2005-2006 school years. The cost of attending a private four-year college rose by 21 percent in that same time period. *(U.S. Department of Education, National Center for Education Statistics (NCES), 2001 and 2006)*

Students and families across America are struggling to pay rising college costs, but family incomes have not kept up with these increases. During this same period, while college costs have risen between 21 and 40 percent, median household income increased by only five percent. *(U.S. Census Bureau, Historical Income Tables)* College costs are consuming a greater and greater proportion of a typical family's income. After financial aid is taken into account, 30 percent of the median family income is required to pay for one year of college at a public four-year college. *(National Center for Public Policy and Higher Education, 2006)*

Each year, more than 400,000 low- and moderate-income high school graduates who are fully prepared to attend a four-year college do not do so because of financial barriers, and 170,000 of these students attend no college at all. *(Advisory Committee on Student Finance Assistance, 2002)*

FEDERAL GRANT AID HAS NOT KEPT UP

The federal government has historically had a major role in helping to make college more affordable for all students, regardless of family background or socioeconomic status. Federal Pell Grants, the nation's largest need-based grant program, help millions of students go to college each year who might not otherwise have the financial resources to pursue a college degree. But years of stagnant maximum federal Pell Grant awards have meant that federal grant aid has not kept pace with the rising cost of attending college. Twenty years ago, the maximum Pell Grant covered 51 percent of the cost of tuition, fees, room and board at a public four-year college. In the 2005-2006 school year, the maximum Pell Grant covered about a third of these costs. *(Analysis of Department of Education, NCES data)* Last year, the average Pell Grant actually decreased by $120 from the previous year, from $2,474 to $2,354. *(College Board, 2006)*

This decline has led more and more students and families nationwide to rely on loans to finance their college education. More students are borrowing, and borrowing larger amounts, than ever before. The percentage of undergraduates at four-year public colleges with student loans has risen to 66 percent. Low-income students are especially likely to need to borrow. In 2004, 88.5 percent of graduating students who were Pell recipients had taken out student loans. *(The Institute for College Access and Success, 2006)*

The typical amount that students are borrowing has also increased. In 1992-1993, the average debt of an undergraduate borrower was $9,250; by 2003-2004, this amount had risen to $19,200, a 58 percent increase after accounting for inflation. *(The Institute for College Access and Success, 2006)*

SIGNIFICANT STUDENT DEBT AFFECTS KEY DECISIONS BEFORE, DURING, AND AFTER COLLEGE

Unfortunately, the significant levels of student debt that borrowers are currently taking on are having a direct impact on career and life decisions prior to, during, and after college for many borrowers. The need to take out student loans causes students to delay starting college, prevents them from attending the college of their choice, and keeps students who begin college from graduating. Those who begin college but leave without a degree often find themselves in particularly dire financial straits, burdened with unmanageable student loan debt.

After graduation, significant debt is limiting students' career decisions, making them less likely to consider public service careers that are essential for our society, such as teaching, social work, nursing, and public interest law. A recent study considered the impact of significant student loan debt on graduates who pursue teaching and social work. It concluded that 37 percent of public college graduates and 55 percent of private college graduates would have unmanageable debt if living on the salary of a starting social worker. Twenty-three percent of public college graduates and 38 percent of private college graduates would have an unmanageable level of student debt if they were to live on the salary of a starting teacher. *(State PIRGs' Higher Education Project, 2006)*

The most recent National Student Loan Survey, published by Nellie Mae, found that student loan debt may also affect other major life decisions. The survey found that the probability of owning a home decreases as student debt increases – a correlation that had not been the case for fifteen years. The survey also measured the perceived impact of student loan debt and found that 30 percent of respondents said they delayed buying a car because of student loan debt, 14 percent said they delayed getting married because of student loan debt, and 21 percent said they delayed having children because of student loan debt. *(Nellie Mae Corporation, 2003)*

STUDENTS ARE BEING SHUT OUT OF COLLEGE

The high cost of college, combined with the slower rate of growth of family income and insufficient grant aid is pricing many students out of a college education. Even with student loans and work-study programs, students can be confronted with thousands of dollars of unmet financial need that they cannot afford to pay. After all forms of aid – grants, loans, work-study, and other financial aid – are taken into account, the lowest income students still face nearly $5,800 in unmet need. *(Business Higher Education Forum, 2005)* Nationwide in 2003-2004, undergraduate students faced a total of almost $32 billion in unmet financial need; over $27 billion of this unmet need was among students in the bottom half of the income spectrum. *(Postsecondary Education Opportunity, 2006)* This unmet financial need especially affects minority students: in 2003-2004, minority students accounted for 30 percent of full-time, dependent undergraduate students, yet these students bore over 45 percent of the unmet need burden. *(Postsecondary Education Opportunity, 2006)*

The real impact of unmet need can be seen at high school graduations across the country. Many low-income, college-ready high school seniors successfully complete high school – but unlike their higher-income counterparts, they do not go on to college. In 2004, less than half (43 percent) of low-income, college-qualified high school graduates were expected to gain a bachelor's degree by 2012. For upper-income students, almost twice as many – 80 percent – are expected to obtain a bachelor's degree in that time. *(Advisory Committee on Student Financial Assistance, 2006)* According to one study, between 800,000 and 1.6 million bachelor's degrees were lost among college-qualified high school graduates from low- and moderate-income families in the 1990s because of financial barriers that kept these students from completing college. The same study predicted that between 1.4 million and 2.4 million more bachelor's degrees will likely be lost in this decade. *(Advisory Committee on Student Financial Assistance, 2006)*

THE NEED FOR REFORM IN THE FEDERAL SUBSIDIZED STUDENT LOAN PROGRAM

Even as families are struggling to pay for college, and students and graduates are struggling with unmanageable debt burdens, the federal government is providing lenders in the Federal Family Educational Loan (FFEL) Program with substantial and unnecessary subsidies, in excess of what is required to encourage a healthy level of participation and competition. Forty years ago, government subsidies were needed to entice lenders and banks to participate in the FFEL Program. Generous taxpayer subsidies, including specific returns and extremely high default insurance rates – currently at 99 percent on most loans – were used to attract lenders to the FFEL program at a time when lender participation was low and student loan default rates were high.

It is clear that these substantial subsidies are no longer needed today. The student loan market is immensely profitable, due in large part to significant federal subsidies and guarantees. Over 3,000 lenders now participate in the FFEL program. At the same time, default rates on student loans are near an all-time low – down from 22.4 percent in 1992 to five percent in 2004. *(Department of Education, National Student Loan Default Rate Report, 2004)*

American taxpayers pay billions of dollars in unnecessary subsidies to lenders each year. As a recent study concluded, net income payments to guaranteed lenders and guaranty agency collection fees are significantly higher than required to cover those costs in the guaranteed program. *(Lucas & Moore, Congressional Budget Office Working Paper, 2007)* These excess subsidies should be used for students: to increase grant aid for low-income students and make debt more manageable for graduates.

THE COLLEGE COST REDUCTION AND ACCESS ACT: A NEW COMMITMENT TO STUDENTS AND FAMILIES

Students are working hard to get into college; and with their families, they are working hard to pay for college. The federal government should do its part. Congress should make college access and affordability a top priority. The College Cost Reduction and Access Act of 2007 and the Senate higher education reauthorization bill are strong steps in the right direction.

The College Cost Reduction and Access Act of 2007 would:

- **Increase Need-Based Grant Aid and Increase College Access for Low-Income Students.** The Act increases the maximum award for Pell Grant recipients by $500 next year and to $5,400 by 2012.
- **Ease the Burden on Student Borrowers.** The Act cuts interest rates on student loans in half to 3.4 percent for undergraduate students with subsidized student loans.
- **Simplify the Financial Aid Process for Low-Income Students.** The Act increases the income level at which a student is automatically eligible for the maximum Pell Grant, simplifying the process for low-income students and ensuring such students receive the maximum Pell.
- **Protect Borrowers by Making Student Loan Payments Manageable.** The Act caps monthly student loan payments at 15 percent of discretionary income, so that graduates with significant loan debt can better manage their payments, particularly those in lower paying jobs or those supporting children.
- **Forgive the Debt of Those Who Commit to Public Service.** The Act encourages public service by providing loan forgiveness for borrowers who spend ten years in a public service occupation.
- **Protect Working Students.** The Act reduces the work penalty on working students, by increasing the amount of student income sheltered from the financial aid process.
- **Increase College Access and Preparation Programs.** The Act increases and improves access to and preparation for college by both restoring funding for Upward Bound, a key college access program, and creating College Access Challenge Grants to increase college outreach activities in every state.
- **Bring Good Teachers to the Schools That Need Them Most.** The Act creates incentives for good teachers to go where they are needed by establishing new TEACH Grants that provide scholarships of $4,000/year for high-achieving undergraduate and graduate students who commit to teaching a high-need subject in a high-need school.
- **Reform the Student Loan System So It Works for Students.** The Act provides all of these new benefits at no cost to taxpayers by reducing excessive lender subsidies and redirecting federal aid to the students who need it most. The Act includes a critical pilot program that encourages real market competition in the loan programs, so that lenders are not overpaid for the services they provide to students.

The Higher Education Amendments of 2007, the Senate higher education reauthorization bill, would also take important steps to address rising college costs, simplify financial aid for all students, and reform the student loan system. The Amendments would:

- **Hold Colleges Accountable for Rising Costs.** The Amendments ask colleges and states to do their part to address rising college costs by:
  - Creating a nationwide watch list of colleges whose costs are increasing at a rate greater than their peers;
  - Creating a higher education price comparison index to help students and parents compare college tuition costs; and
  - Developing a model net price calculator to help colleges publicize the true cost of attendance by student income level, and requiring schools to include such disaggregated cost information in application materials.

- **Simplify the Financial Aid Process for all Students by Reforming the FAFSA.** The Free Application for Federal Financial Aid (FAFSA) is currently 10 pages long with an additional seven pages of worksheets, and its complexity is a barrier to low- and middle-income students applying for college aid. The Amendments make the financial aid application process more student-friendly by:
  - Simplifying the FAFSA, by immediately creating a new 2-page EZ-FAFSA for low-income students, and phasing out the current 7-page FAFSA for all applicants within 5 years; and
  - Facilitating student planning by creating a pilot program that enables students to obtain an aid estimate in their junior year of high school.

- **Reform the Student Loan System So It Works for Students, Not Lenders.** Recent revelations have demonstrated that lenders and in some cases financial aid officers have been exploiting the system. The Amendments reform the system by requiring colleges to recommend lenders to their students based on the best interests of the students, not the self-interest of financial aid officers or lenders, and by prohibiting payments from lenders to schools or school officials that create conflicts of interest.

STATE-BY-STATE ANALYSIS OF THE IMPACT OF COLLEGE COSTS AND STUDENT DEBT AND THE RELIEF PROVIDED BY THE COLLEGE COST REDUCTION AND ACCESS ACT

Students and families across the nation are struggling with rising tuition and student loan debt. This report provides information on the college affordability problem in each state, and the benefits provided to students and their families in each state under the College Cost Reduction and Access Act of 2007. The following tables and individual state reports provide information for each state on:

- The rising cost of college;
- The decline in the value of the Pell Grant;
- The amount of student loan debt incurred by college graduates;
- The amount of family income needed to pay for college; and
- The estimated impact of the College Cost Reduction and Access Act on students and borrowers in each state, including:
  - The increase in total grant aid for low-income students;
  - The increase in the average grant award for low-income students;
  - The increase in loan aid provided through cutting interest rates, creating a new income-based repayment loan repayment option for borrowers, and other additional benefits for borrowers;
  - The reduction in monthly costs under a new income-based repayment option that caps monthly payments at 15 percent of a borrower's discretionary income; and
  - The average amount of loan forgiveness a borrower will receive after ten years in a public service occupation.

THE RISING COST OF COLLEGE THREATENS ACCESS TO A DEGREE

Tuition, Fees, Room & Board at Public Four-Year Institutions

State	Tuition, Fees, Room & Board, 2000-2001	Tuition, Fees, Room & Board, 2005-2006	State	Tuition, Fees, Room & Board, 2000-2001	Tuition, Fees, Room & Board, 2005-2006
Alabama	$7,338	$9,625	Montana	$7,607	$10,613
Alaska	$8,386	$10,620	Nebraska	$7,335	$11,286
Arizona	$7,872	$11,480	Nevada	$8,252	$10,865
Arkansas	$6,789	$9,192	New Hampshire	$11,717	$15,479
California	$9,592	$13,685	New Jersey	$11,998	$17,708
Colorado	$8,360	$11,569	New Mexico	$7,085	$9,579
Connecticut	$10, 512	$14,658	New York	$10,254	$13,275
Delaware	$10,290	$14,326	North Carolina	$7,080	$9,675
District of Columbia*	$2,070	$2,070	North Dakota	$6,405	$9,829
Florida	$7,944	$10,141	Ohio	$10,449	$16,032
Georgia	$7,455	$10,062	Oklahoma	$6,000	$9,404
Hawaii	$8,286	$9,042	Oregon	$9,397	$12,720
Idaho	$6,763	$8,982	Pennsylvania	$11,087	$15,464
Illinois	$9,533	$13,976	Rhode Island	$11,104	$14,315
Indiana	$9,232	$12,388	South Carolina	$9,065	$13,145
Iowa	$7,589	$12,329	South Dakota	$6,979	$9,493
Kansas	$6,650	$9,980	Tennessee	$7,661	$9,956
Kentucky	$6,921	$10,663	Texas	$7,634	$10,973
Louisiana	$6,304	$8,506	Utah	$6,623	$8,745
Maine	$9,361	$12,568	Vermont	$12,836	$16,571
Maryland	$10,846	$14,793	Virginia	$8,744	$12,279
Massachusetts	$9,206	$14,651	Washington	$8,917	$12,384
Michigan	$9,841	$13,693	West Virginia	$7,287	$9,992
Minnesota	$8,146	$12,777	Wisconsin	$7,385	$10,560
Mississippi	$7,181	$9,461	Wyoming	$7,017	$8,946
Missouri	$8,201	$11,861	United States	$8,655	$12,108

Source: National Center for Education Statistics, *Digest of Education Statistics 2001* and *Digest of Education Statistics 2006* (preliminary).
* Figures for the District of Columbia include tuition and fees only.

THE RISING COST OF COLLEGE THREATENS ACCESS TO A DEGREE

Tuition, Fees, Room & Board at Private Four-Year Institutions

State	Tuition, Fees, Room & Board, 2000-2001	Tuition, Fees, Room & Board, 2005-2006	State	Tuition, Fees, Room & Board, 2000-2001	Tuition, Fees, Room & Board, 2005-2006
Alabama	$14,248	$18,520	**Montana**	$14,298	$18,093
Alaska	$14,378	$21,651	**Nebraska**	$16,381	$21,017
Arizona	$14,935	$18,734	**Nevada**	$17,397	$20,691
Arkansas	$13,361	$18,122	**New Hampshire**	$24,525	$31,154
California	$24,993	$31,266	**New Jersey**	$23,860	$31,335
Colorado	$23,599	$27,779	**New Mexico**	$18,985	$20,006
Connecticut	$27,818	$36,026	**New York**	$25,171	$32,478
Delaware	$14,041	$18,176	**North Carolina**	$20,169	$26,411
District of Columbia	$27,143	$32,556	**North Dakota**	$11,392	$13,553
Florida	$19,800	$24,985	**Ohio**	$21,045	$26,906
Georgia	$19,743	$26,081	**Oklahoma**	$15,397	$20,113
Hawaii	$15,997	$19,437	**Oregon**	$23,306	$27,945
Idaho	$17,783	$11,614	**Pennsylvania**	$24,779	$31,963
Illinois	$21,941	$27,875	**Rhode Island**	$26,157	$33,101
Indiana	$21,390	$27,582	**South Carolina**	$17,583	$22,170
Iowa	$19,454	$23,444	**South Dakota**	$15,398	$18,930
Kansas	$15,627	$20,741	**Tennessee**	$18,139	$23,039
Kentucky	$14,727	$20,674	**Texas**	$16,973	$23,440
Louisiana	$22,154	$17,207	**Utah**	$8,576	$11,275
Maine	$22,689	$29,550	**Vermont**	$22,312	$29,072
Maryland	$26,034	$32,617	**Virginia**	$18,700	$23,823
Massachusetts	$28,669	$37,282	**Washington**	$21,510	$27,280
Michigan	$16,040	$19,732	**West Virginia**	$18,338	$20,002
Minnesota	$21,556	$27,314	**Wisconsin**	$20,271	$25,656
Mississippi	$13,717	$17,112	**Wyoming**	N/A	N/A
Missouri	$17,852	$22,441	**United States**	$21,907	$27,317

Source: National Center for Education Statistics, *Digest of Education Statistics 2001* and *Digest of Education Statistics 2006* (preliminary).

THE DECLINING PURCHASING POWER OF THE PELL GRANT FORCES STUDENTS TO BORROW MORE

State	$2,100 Maximum Pell Grant in 1986-87 as Percentage of College Costs	$4,050 Maximum Pell Grant in 2005-06 as Percentage of College Costs	State	$2,100 Maximum Pell Grant in 1986-87 as Percentage of College Costs	$4,050 Maximum Pell Grant in 2005-06 as Percentage of College Costs
Alabama	62%	42%	**Montana**	51%	38%
Alaska	53%	38%	**Nebraska**	63%	36%
Arizona	55%	35%	**Nevada**	60%	37%
Arkansas	75%	44%	**New Hampshire**	46%	26%
California	40%	30%	**New Jersey**	43%	23%
Colorado	47%	35%	**New Mexico**	58%	42%
Connecticut	49%	28%	**New York**	45%	31%
Delaware	54%	28%	**North Carolina**	69%	42%
District of Columbia	N/A	N/A	**North Dakota**	67%	41%
Florida	54%	40%	**Ohio**	43%	25%
Georgia	58%	40%	**Oklahoma**	72%	43%
Hawaii	49%	45%	**Oregon**	53%	32%
Idaho	56%	45%	**Pennsylvania**	41%	26%
Illinois	47%	29%	**Rhode Island**	39%	28%
Indiana	44%	33%	**South Carolina**	50%	31%
Iowa	61%	33%	**South Dakota**	62%	43%
Kansas	60%	41%	**Tennessee**	62%	41%
Kentucky	64%	38%	**Texas**	55%	37%
Louisiana	59%	48%	**Utah**	53%	46%
Maine	46%	32%	**Vermont**	30%	24%
Maryland	39%	27%	**Virginia**	42%	33%
Massachusetts	50%	28%	**Washington**	53%	33%
Michigan	44%	30%	**West Virginia**	51%	41%
Minnesota	52%	32%	**Wisconsin**	58%	38%
Mississippi	54%	43%	**Wyoming**	62%	45%
Missouri	62%	34%	**United States**	51%	33%

Source: HELP Committee calculations based on cost of tuition, fees, room and board data from National Center for Education Statistics, *Digest of Education Statistics 1988* and *Digest of Education Statistics 2006* (preliminary).

Percent of Family Income Needed to Pay for One Year at a Four-Year Public College, After Financial Aid

State	Percent of Median Family Income Needed to Pay For College	State	Percent of Median Family Income Needed to Pay For College
Alabama	26%	**Montana**	33%
Alaska	24%	**Nebraska**	27%
Arizona	31%	**Nevada**	27%
Arkansas	25%	**New Hampshire**	32%
California	33%	**New Jersey**	37%
Colorado	27%	**New Mexico**	28%
Connecticut	33%	**New York**	33%
Delaware	33%	**North Carolina**	26%
District of Columbia	N/A	**North Dakota**	28%
Florida	26%	**Ohio**	42%
Georgia	23%	**Oklahoma**	24%
Hawaii	21%	**Oregon**	36%
Idaho	21%	**Pennsylvania**	39%
Illinois	35%	**Rhode Island**	39%
Indiana	30%	**South Carolina**	36%
Iowa	30%	**South Dakota**	27%
Kansas	26%	**Tennessee**	26%
Kentucky	30%	**Texas**	30%
Louisiana	24%	**Utah**	18%
Maine	36%	**Vermont**	41%
Maryland	32%	**Virginia**	27%
Massachusetts	34%	**Washington**	31%
Michigan	36%	**West Virginia**	31%
Minnesota	26%	**Wisconsin**	26%
Mississippi	26%	**Wyoming**	23%
Missouri	31%	**United States**	31%

Source: The Institute for Public Policy and Higher Education, *Measuring Up 2006: The National Report Card on Higher Education.*

MORE AND MORE STUDENTS ARE GRADUATING FROM COLLEGE WITH UNMANAGEABLE LOAN DEBT

State	Percentage of Seniors Graduating with Debt	Average Debt per Graduate	State	Percentage of Seniors Graduating with Debt	Average Debt per Graduate
Alabama	62%	$17,559	**Montana**	70%	$17,314
Alaska	48%	$16,011	**Nebraska**	65%	$17,792
Arizona	52%	$17,678	**Nevada**	41%	$16,687
Arkansas	56%	$17,004	**New Hampshire**	71%	$22,793
California	46%	$15,203	**New Jersey**	61%	$16,393
Colorado	53%	$16,346	**New Mexico**	53%	$16,137
Connecticut	58%	$19,440	**New York**	64%	$18,795
Delaware	46%	$14,728	**North Carolina**	59%	$16,661
District of Columbia	60%	$20,846	**North Dakota**	73%	$22,682
Florida	52%	$18,303	**Ohio**	66%	$19,259
Georgia	54%	$16,131	**Oklahoma**	53%	$17,063
Hawaii	35%	$14,290	**Oregon**	67%	$19,420
Idaho	67%	$19,299	**Pennsylvania**	69%	$20,775
Illinois	57%	$17,089	**Rhode Island**	61%	$20,798
Indiana	55%	$19,518	**South Carolina**	58%	$17,719
Iowa	72%	$22,727	**South Dakota**	78%	$19,724
Kansas	59%	$16,753	**Tennessee**	47%	$19,165
Kentucky	55%	$15,861	**Texas**	52%	$17,176
Louisiana	61%	$19,024	**Utah**	44%	$11,709
Maine	68%	$20,239	**Vermont**	67%	$19,482
Maryland	53%	$14,822	**Virginia**	58%	$16,558
Massachusetts	62%	$18,169	**Washington**	58%	$19,565
Michigan	60%	$18,942	**West Virginia**	65%	$16,041
Minnesota	69%	$20,560	**Wisconsin**	63%	$17,224
Mississippi	63%	$16,065	**Wyoming**	45%	$16,741
Missouri	59%	$16,505	**United States**	66%	$19,200

Source: The Institute for College Access and Success (2006), based on an analysis of data from the Department of Education, National Postsecondary Student Aid Study (2004).

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: INCREASED COLLEGE AID FOR STUDENTS NATIONWIDE

	Total Pell Grant Aid This Year	*Additional Grant Aid Next School Year*	*Additional Grant Aid Over the Next Five School Years*	*Additional Loan Aid Over Five Years*
Alabama	$275,800,000	$39,963,000	$433,895,000	$106,299,000
Alaska	$11,900,000	$1,720,000	$18,679,000	$6,331,000
Arizona	$515,100,000	$74,643,000	$810,426,000	$388,432,000
Arkansas	$162,200,000	$23,509,000	$255,252,000	$53,636,000
California	$1,560,900,000	$226,174,000	$2,455,671,000	$579,257,000
Colorado	$202,600,000	$29,360,000	$318,774,000	$147,185,000
Connecticut	$91,700,000	$13,290,000	$144,297,000	$72,746,000
Delaware	$21,900,000	$3,179,000	$34,513,000	$16,889,000
District of Columbia	$50,000,000	$7,239,000	$78,592,000	$91,655,000
Florida	$742,800,000	$107,628,000	$1,168,563,000	$336,450,000
Georgia	$411,300,000	$59,606,000	$647,164,000	$211,843,000
Hawaii	$31,100,000	$4,506,000	$48,925,000	$13,423,000
Idaho	$83,600,000	$12,120,000	$131,588,000	$27,831,000
Illinois	$531,700,000	$77,048,000	$836,540,000	$375,919,000
Indiana	$338,000,000	$48,981,000	$531,803,000	$176,150,000
Iowa	$194,700,000	$28,214,000	$306,334,000	$124,021,000
Kansas	$132,700,000	$19,222,000	$208,703,000	$73,716,000
Kentucky	$221,300,000	$32,074,000	$348,240,000	$84,869,000
Louisiana	$248,500,000	$36,001,000	$390,883,000	$88,569,000
Maine	$49,700,000	$7,200,000	$78,172,000	$26,890,000
Maryland	$170,300,000	$24,681,000	$267,973,000	$102,603,000
Massachusetts	$198,200,000	$28,716,000	$311,778,000	$210,540,000
Michigan	$429,800,000	$62,279,000	$676,185,000	$245,416,000
Minnesota	$185,500,000	$26,873,000	$291,776,000	$190,779,000
Mississippi	$218,900,000	$31,720,000	$344,398,000	$56,357,000

The College Cost Reduction and Access Act of 2007: Increased College Aid for Students Nationwide

	Total Pell Grant Aid This Year	***Additional Grant Aid* Next School Year**	***Additional Grant Aid* Over the Next Five School Years**	***Additional Loan Aid* Over Five Years**
Missouri	$265,200,000	$38,422,000	$417,164,000	$179,573,000
Montana	$47,900,000	$6,938,000	$75,333,000	$20,507,000
Nebraska	$67,500,000	$9,775,000	$106,131,000	$51,944,000
Nevada	$41,200,000	$5,966,000	$64,778,000	$19,329,000
New Hampshire	$32,300,000	$4,678,000	$50,793,000	$34,320,000
New Jersey	$276,200,000	$40,027,000	$434,592,000	$114,801,000
New Mexico	$110,200,000	$15,968,000	$173,370,000	$27,904,000
New York	$1,067,300,000	$154,657,000	$1,679,172,000	$538,493,000
North Carolina	$395,900,000	$57,365,000	$622,832,000	$148,147,000
North Dakota	$36,500,000	$5,288,000	$57,415,000	$21,163,000
Ohio	$507,200,000	$73,492,000	$797,939,000	$304,629,000
Oklahoma	$203,100,000	$29,426,000	$319,487,000	$81,649,000
Oregon	$161,000,000	$23,325,000	$253,255,000	$97,968,000
Pennsylvania	$480,900,000	$69,685,000	$756,596,000	$421,365,000
Rhode Island	$53,900,000	$7,811,000	$84,803,000	$42,651,000
South Carolina	$199,300,000	$28,872,000	$313,476,000	$81,688,000
South Dakota	$43,200,000	$6,259,000	$67,953,000	$24,529,000
Tennessee	$269,500,000	$39,045,000	$423,926,000	$125,708,000
Texas	$1,129,900,000	$163,722,000	$1,777,598,000	$397,621,000
Utah	$156,200,000	$22,634,000	$245,746,000	$44,845,000
Vermont	$21,700,000	$3,150,000	$34,203,000	$26,681,000
Virginia	$247,900,000	$35,924,000	$390,043,000	$154,493,000
Washington	$212,300,000	$30,758,000	$333,955,000	$108,235,000
West Virginia	$103,300,000	$14,970,000	$162,537,000	$47,761,000
Wisconsin	$169,800,000	$24,602,000	$267,116,000	$117,636,000
Wyoming	$22,500,000	$3,254,000	$35,329,000	$14,989,000

Source: Estimates by Senate HELP Committee and House Education and Labor Committee, based on data from the Congressional Budget Office, the Congressional Research Service, and the National Association of Independent Colleges and Universities. Grant aid increases include projected new funding for Pell grant program provided by College Cost Reduction and Access Act of 2007 and estimated aid under the existing Pell grant program, including increases from provisions in the College Cost Reduction and Access Act that change needs analysis calculations for Pell grant eligibility purposes. Annual Pell funding reflects total funding state will receive for the award year that corresponds to the funding provided for such fiscal year. Grant aid estimates based on proportion of Pell grant aid each state received in award year 2005-2006. Loan aid estimates include aid provided in College Cost Reduction and Access Act for interest rate cut, new income-based repayment option, public service loan forgiveness option, and other changes included in the Act. Loan aid estimates based on proportion of loan volume by state in 2005-2006.

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON ALABAMA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Alabama** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Alabama** increased 31%, from $7,338 to $9,625.[2] The cost of attendance at four-year private colleges in **Alabama** has increased 30%.[3] And yet family incomes are not keeping up: median household income in **Alabama** increased just 5% in the same time frame.[4] Even after financial aid is taken into account, 26% of the median family income in **Alabama** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Alabama**, the maximum Pell Grant covered only 42% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 62% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Alabama**, 62% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Alabama** that year owed $17,559 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO ALABAMA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Alabama students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Alabama** students will be eligible for an additional $39,963,000 in need-based grant aid next year, and an additional $433,895,000 over the next five years.[15] This would increase the average grant in **Alabama** by $390 in 2008 to $3,100.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Alabama** earning $33,600, with average student loan debt of $17,559, would have his or her monthly payments reduced by $68, from $203 to $135, a reduction of 33%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Alabama** earning $31,368 with the state average loan debt of $17,559 could have loan payments capped at 15% – reducing his or her monthly payments by $59, from $203 to $144, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $10,040.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON ALASKA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Alaska** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Alaska** increased 27%, from $8,386 to $10,620.[2] The cost of attendance at four-year private colleges in **Alaska** has increased 51%.[3] And yet family incomes are not keeping up: median household income in **Alaska** increased just 6% in the same time frame.[4] Even after financial aid is taken into account, 24% of the median family income in **Alaska** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Alaska**, the maximum Pell Grant covered only 38% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 53% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Alaska**, 48% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Alaska** that year owed $16,011 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO ALASKA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Alaska students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Alaska** students will be eligible for an additional $1,720,000 in need-based grant aid next year, and an additional $18,679,000 over the next five years.[15] This would increase the average grant in **Alaska** by $360 in 2008 to $2,840.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Alaska** earning $36,460, with average student loan debt of $16,011, would have his or her monthly payments reduced by $49, from $184 to $135, a reduction of 27%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Alaska** earning $38,657 with the state average loan debt of $16,011 could have loan payments capped at 15% – reducing his or her monthly payments by $39, from $184 to $145, a reduction of 21%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $6,780.[19]

Rising College Costs Are Shutting the Door on Arizona Students

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Arizona** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Arizona** increased 46%, from $7,872 to $11,480.[2] The cost of attendance at four-year private colleges in **Arizona** has increased 25%.[3] And yet family incomes are not keeping up: median household income in **Arizona** increased just 14% in the same time frame.[4] Even after financial aid is taken into account, 31% of the median family income in **Arizona** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Arizona**, the maximum Pell Grant covered only 35% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 55% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Arizona**, 52% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Arizona** that year owed $17,678 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO ARIZONA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Arizona students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Arizona** students will be eligible for an additional $74,643,000 in need-based grant aid next year, and an additional $810,426,000 over the next five years.[15] This would increase the average grant in **Arizona** by $350 in 2008 to $2,790.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Arizona** earning $33,960, with average student loan debt of $17,678, would have his or her monthly payments reduced by $68, from $203 to $135, a reduction of 33%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Arizona** earning $30,404 with the state average loan debt of $17,678 could have loan payments capped at 15% – reducing his or her monthly payments by $58, from $203 to $145, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $10,085.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON ARKANSAS STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Arkansas** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Arkansas** increased 35%, from $6,789 to $9,192.[2] The cost of attendance at four-year private colleges in **Arkansas** has increased 36%.[3] And yet family incomes are not keeping up: median household income in **Arkansas** increased just 23% in the same time frame.[4] Even after financial aid is taken into account, 25% of the median family income in **Arkansas** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Arkansas**, the maximum Pell Grant covered only 44% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 75% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Arkansas**, 56% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Arkansas** that year owed $17,004 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO ARKANSAS STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Arkansas students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Arkansas** students will be eligible for an additional $23,509,000 in need-based grant aid next year, and an additional $255,252,000 over the next five years.[15] This would increase the average grant in **Arkansas** by $400 in 2008 to $3,190.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Arkansas** earning $29,780, with average student loan debt of $17,004, would have his or her monthly payments reduced by $80, from $196 to $116, a reduction of 41%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Arkansas** earning $28,784 with the state average loan debt of $17,004 could have loan payments capped at 15% – reducing his or her monthly payments by $72, from $196 to $124, a reduction of 36%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $12,201.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON CALIFORNIA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **California** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **California** increased 43%, from $9,592 to $13,685.[2] The cost of attendance at four-year private colleges in **California** has increased 25%.[3] And yet family incomes are not keeping up: median household income in **California** increased just 11% in the same time frame.[4] Even after financial aid is taken into account, 33% of the median family income in **California** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **California**, the maximum Pell Grant covered only 30% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 40% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **California**, 46% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **California** that year owed $15,203 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO CALIFORNIA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to California students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **California** students will be eligible for an additional $226,174,000 in need-based grant aid next year, and an additional $2,455,671,000 over the next five years.[15] This would increase the average grant in **California** by $390 in 2008 to $3,130.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **California** earning $45,460, with average student loan debt of $15,203, would have his or her monthly payments reduced by $39, from $175 to $136, a reduction of 23%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **California** earning $35,760 with the state average loan debt of $15,203 could have loan payments capped at 15% – reducing his or her monthly payments by $51, from $175 to $124, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $8,673.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON COLORADO STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Colorado** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Colorado** increased 38%, from $8,360 to $11,569.[2] The cost of attendance at four-year private colleges in **Colorado** has increased 18%.[3] And yet family incomes are not keeping up: median household income in **Colorado** increased just 5% in the same time frame.[4] Even after financial aid is taken into account, 27% of the median family income in **Colorado** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Colorado**, the maximum Pell Grant covered only 35% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 47% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Colorado**, 53% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Colorado** that year owed $16,346 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO COLORADO STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to <u>Colorado</u> students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- <u>Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012.</u> This means low-income **<u>Colorado</u>** students will be eligible for an additional $29,360,000 in need-based grant aid next year, and an additional $318,774,000 over the next five years.[15] This would increase the average grant in **<u>Colorado</u>** by $350 in 2008 to $2,790.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- <u>Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens.</u> A social worker with one child in **<u>Colorado</u>** earning $42,600, with average student loan debt of $16,346, would have his or her monthly payments reduced by $42, from $188 to $146, a reduction of 23%.[17]

- <u>Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years.</u> Under this bill, a starting teacher in **<u>Colorado</u>** earning $35,086 with the state average loan debt of $16,346 could have loan payments capped at 15% – reducing his or her monthly payments by $54, from $188 to $134, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $9,325.[19]

RISING COLLEGE COSTS
ARE SHUTTING THE DOOR ON CONNECTICUT STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Connecticut** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Connecticut** increased 39%, from $10,512 to $14,658.[2] The cost of attendance at four-year private colleges in **Connecticut** has increased 30%.[3] And yet family incomes are not keeping up: median household income in **Connecticut** increased just 13% in the same time frame.[4] Even after financial aid is taken into account, 33% of the median family income in **Connecticut** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Connecticut**, the maximum Pell Grant covered only 28% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 49% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Connecticut**, 58% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Connecticut** that year owed $19,440 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO CONNECTICUT STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Connecticut students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Connecticut** students will be eligible for an additional $13,290,000 in need-based grant aid next year, and an additional $144,297,000 over the next five years.[15] This would increase the average grant in **Connecticut** by $340 in 2008 to $2,730.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Connecticut** earning $56,910, with average student loan debt of $19,440, would have his or her monthly payments reduced by $26, from $224 to $198, a reduction of 12%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Connecticut** earning $39,259 with the state average loan debt of $19,440 could have loan payments capped at 15% – reducing his or her monthly payments by $48, from $224 to $176, a reduction of 21%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $8,232.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON DELAWARE STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Delaware** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Delaware** increased 39%, from $10,290 to $14,326.[2] The cost of attendance at four-year private colleges in **Delaware** has increased 29%.[3] And yet family incomes are not keeping up: median household income in **Delaware** increased just 2% in the same time frame.[4] Even after financial aid is taken into account, 33% of the median family income in **Delaware** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Delaware**, the maximum Pell Grant covered only 28% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 54% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Delaware**, 46% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Delaware** that year owed $14,728 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO DELAWARE STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Delaware students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Delaware** students will be eligible for an additional $3,179,000 in need-based grant aid next year, and an additional $34,513,000 over the next five years.[15] This would increase the average grant in **Delaware** by $340 in 2008 to $2,740.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Delaware** earning $42,960, with average student loan debt of $14,728, would have his or her monthly payments reduced by $38, from $169 to $131, a reduction of 23%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Delaware** earning $35,854 with the state average loan debt of $14,728 could have loan payments capped at 15% – reducing his or her monthly payments by $49, from $169 to $120, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $8,402.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON DISTRICT OF COLUMBIA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in the **District of Columbia** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. In the 2005-2006 school year, the cost of tuition and fees at four-year public colleges in the **District of Columbia** was $2,070.[2] From 2000-2001 to 2005-2006, the cost of attendance at four-year private colleges in the **District of Columbia** has increased 20%, to $32,556.[3] And yet family incomes are not keeping up: median household income in the **District of Columbia** increased just 9% in the same time frame.[4]

Federal Student Grant Aid Has Not Kept Up. Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In the **District of Columbia**, 60% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in the **District of Columbia** that year owed $20,846 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO DISTRICT OF COLUMBIA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to District of Columbia students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **District of Columbia** students will be eligible for an additional $7,239,000 in need-based grant aid next year, and an additional $78,592,000 over the next five years.[15] This would increase the average grant in the **District of Columbia** by $370 in 2008 to $2,930.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in the **District of Columbia** earning $46,600, with average student loan debt of $20,846, would have his or her monthly payments reduced by $28, from $240 to $212, a reduction of 12%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in the **District of Columbia** earning $38,434 with the state average loan debt of $20,846 could have loan payments capped at 15% – reducing his or her monthly payments by $52, from $240 to $188, a reduction of 21%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $8,827.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON FLORIDA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Florida** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Florida** increased 28%, from $7,944 to $10,141.[2] The cost of attendance at four-year private colleges in **Florida** has increased 26%.[3] And yet family incomes are not keeping up: median household income in **Florida** increased just 11% in the same time frame.[4] Even after financial aid is taken into account, 26% of the median family income in **Florida** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Florida**, the maximum Pell Grant covered only 40% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 54% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Florida**, 52% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Florida** that year owed $18,303 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO FLORIDA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Florida students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Florida** students will be eligible for an additional $107,628,000 in need-based grant aid next year, and an additional $1,168,563,000 over the next five years.[15] This would increase the average grant in **Florida** by $360 in 2008 to $2,850.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Florida** earning $32,520, with average student loan debt of $18,303, would have his or her monthly payments reduced by $71, from $211 to $140, a reduction of 33%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Florida** earning $33,427 with the state average loan debt of $18,303 could have loan payments capped at 15% – reducing his or her monthly payments by $61, from $211 to $150, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $10,442.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON GEORGIA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Georgia** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Georgia** increased 35%, from $7,455 to $10,062.[2] The cost of attendance at four-year private colleges in **Georgia** has increased 32%.[3] And yet family incomes are not keeping up: median household income in **Georgia** increased just 10% in the same time frame.[4] Even after financial aid is taken into account, 23% of the median family income in **Georgia** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Georgia**, the maximum Pell Grant covered only 40% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 58% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Georgia**, 54% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Georgia** that year owed $16,131 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO GEORGIA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Georgia students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Georgia** students will be eligible for an additional $59,606,000 in need-based grant aid next year, and an additional $647,164,000 over the next five years.[15] This would increase the average grant in **Georgia** by $330 in 2008 to $2,640.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Georgia** earning $36,400, with average student loan debt of $16,131, would have his or her monthly payments reduced by $42, from $186 to $144, a reduction of 23%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Georgia** earning $34,442 with the state average loan debt of $16,131 could have loan payments capped at 15% – reducing his or her monthly payments by $54, from $186 to $132, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $9,203.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON HAWAII STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Hawaii** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Hawaii** increased 9%, from $8,286 to $9,042.[2] The cost of attendance at four-year private colleges in **Hawaii** has increased 22%.[3] Median household income in **Hawaii** increased just 16% in the same time frame, considerably slower than the rate of increase at private colleges.[4] Even after financial aid is taken into account, 21% of the median family income in **Hawaii** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Hawaii**, the maximum Pell Grant covered only 45% of the average public four-year college tuition, fees, room and board in 2005-2006.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Hawaii**, 35% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Hawaii** that year owed $14,290 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO HAWAII STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Hawaii students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Hawaii** students will be eligible for an additional $4,506,000 in need-based grant aid next year, and an additional $48,925,000 over the next five years.[15] This would increase the average grant in **Hawaii** by $390 in 2008 to $3,110.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Hawaii** earning $45,850, with average student loan debt of $14,290, would have his or her monthly payments reduced by $19, from $164 to $145, a reduction of 12%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Hawaii** earning $35,816 with the state average loan debt of $14,290 could have loan payments capped at 15% – reducing his or her monthly payments by $47, from $164 to $117, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $8,152.[19]

Rising College Costs Are Shutting the Door on Idaho Students

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Idaho** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Idaho** increased 33%, from $6,763 to $8,982.[2] And yet family incomes are not keeping up: median household income in **Idaho** increased just 17% in the same time frame.[4] Even after financial aid is taken into account, 21% of the median family income in **Idaho** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Idaho**, the maximum Pell Grant covered only 45% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 56% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Idaho**, 67% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Idaho** that year owed $19,299 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO IDAHO STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Idaho students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Idaho** students will be eligible for an additional $12,120,000 in need-based grant aid next year, and an additional $131,588,000 over the next five years.[15] This would increase the average grant in **Idaho** by $400 in 2008 to $3,200.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Idaho** earning $34,250, with average student loan debt of $19,299, would have his or her monthly payments reduced by $74, from $222 to $148, a reduction of 33%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Idaho** earning $27,500 with the state average loan debt of $19,299 could have loan payments capped at 15% – reducing his or her monthly payments by $81, from $222 to $141, a reduction of 36%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $13,848.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON ILLINOIS STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Illinois** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Illinois** increased 47%, from $9,533 to $13,976.[2] The cost of attendance at four-year private colleges in **Illinois** has increased 27%.[3] And yet family incomes are not keeping up: median household income in **Illinois** increased just 5% in the same time frame.[4] Even after financial aid is taken into account, 35% of the median family income in **Illinois** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Illinois**, the maximum Pell Grant covered only 29% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 47% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Illinois**, 57% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Illinois** that year owed $17,089 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO ILLINOIS STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Illinois students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Illinois** students will be eligible for an additional $77,048,000 in need-based grant aid next year, and an additional $836,540,000 over the next five years.[15] This would increase the average grant in **Illinois** by $360 in 2008 to $2,890.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Illinois** earning $48,730, with average student loan debt of $17,089, would have his or her monthly payments reduced by $23, from $197 to $174, a reduction of 12%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Illinois** earning $37,500 with the state average loan debt of $17,089 could have loan payments capped at 15% – reducing his or her monthly payments by $43, from $197 to $154, a reduction of 21%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $7,236.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON INDIANA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Indiana** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Indiana** increased 34%, from $9,232 to $12,388.[2] The cost of attendance at four-year private colleges in **Indiana** has increased 29%.[3] And yet family incomes are not keeping up: median household income in **Indiana** increased just 4% in the same time frame.[4] Even after financial aid is taken into account, 30% of the median family income in **Indiana** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Indiana**, the maximum Pell Grant covered only 33% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 44% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Indiana**, 55% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Indiana** that year owed $19,518 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO INDIANA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Indiana students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Indiana** students will be eligible for an additional $48,981,000 in need-based grant aid next year, and an additional $531,803,000 over the next five years.[15] This would increase the average grant in **Indiana** by $350 in 2008 to $2,780.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Indiana** earning $30,910, with average student loan debt of $19,518, would have his or her monthly payments reduced by $95, from $225 to $130, a reduction of 42%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Indiana** earning $30,844 with the state average loan debt of $19,518 could have loan payments capped at 15% – reducing his or her monthly payments by $65, from $225 to $160, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $11,135.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON IOWA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Iowa** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Iowa** increased 62%, from $7,589 to $12,329.[2] The cost of attendance at four-year private colleges in **Iowa** has increased 21%.[3] And yet family incomes are not keeping up: median household income in **Iowa** increased just 13% in the same time frame.[4] Even after financial aid is taken into account, 30% of the median family income in **Iowa** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Iowa**, the maximum Pell Grant covered only 33% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 61% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Iowa**, 72% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Iowa** that year owed $22,727 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

The College Cost Reduction and Access Act of 2007: A New Commitment to Iowa Students

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Iowa students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Iowa** students will be eligible for an additional $28,214,000 in need-based grant aid next year, and an additional $306,334,000 over the next five years.[15] This would increase the average grant in **Iowa** by $360 in 2008 to $2,850.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Iowa** earning $35,530, with average student loan debt of $22,727, would have his or her monthly payments reduced by $88, from $262 to $174, a reduction of 33%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Iowa** earning $27,284 with the state average loan debt of $22,727 could have loan payments capped at 15% – reducing his or her monthly payments by $112, from $262 to $150, a reduction of 43%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $17,150.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON KANSAS STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Kansas** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Kansas** increased 50%, from $6,650 to $9,980.[2] The cost of attendance at four-year private colleges in **Kansas** has increased 33%.[3] And yet family incomes are not keeping up: median household income in **Kansas** increased just 2% in the same time frame.[4] Even after financial aid is taken into account, 26% of the median family income in **Kansas** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Kansas**, the maximum Pell Grant covered only 41% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 60% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Kansas**, 59% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Kansas** that year owed $16,753 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO KANSAS STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Kansas students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Kansas** students will be eligible for an additional $19,222,000 in need-based grant aid next year, and an additional $208,703,000 over the next five years.[15] This would increase the average grant in **Kansas** by $370 in 2008 to $2,920.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Kansas** earning $33,010, with average student loan debt of $16,753, would have his or her monthly payments reduced by $65, from $193 to $128, a reduction of 33%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Kansas** earning $27,840 with the state average loan debt of $16,753 could have loan payments capped at 15% – reducing his or her monthly payments by $70, from $193 to $123, a reduction of 36%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $12,021.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON KENTUCKY STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Kentucky** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Kentucky** increased 54%, from $6,921 to $10,663.[2] The cost of attendance at four-year private colleges in **Kentucky** has increased 40%.[3] And yet family incomes are not keeping up: median household income in **Kentucky** increased just 1% in the same time frame.[4] Even after financial aid is taken into account, 30% of the median family income in **Kentucky** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Kentucky**, the maximum Pell Grant covered only 38% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 64% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Kentucky**, 55% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Kentucky** that year owed $15,861 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO KENTUCKY STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Kentucky students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Kentucky** students will be eligible for an additional $32,074,000 in need-based grant aid next year, and an additional $348,240,000 over the next five years.[15] This would increase the average grant in **Kentucky** by $390 in 2008 to $3,090.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Kentucky** earning $37,330, with average student loan debt of $15,861, would have his or her monthly payments reduced by $42, from $183 to $141, a reduction of 23%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Kentucky** earning $30,619 with the state average loan debt of $15,861 could have loan payments capped at 15% – reducing his or her monthly payments by $53, from $183 to $130, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $9,049.[19]

RISING COLLEGE COSTS
ARE SHUTTING THE DOOR ON LOUISIANA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Louisiana** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Louisiana** increased 35%, from $6,304 to $8,506.[2] And yet family incomes are not keeping up: median household income in **Louisiana** increased just 21% in the same time frame.[4] Even after financial aid is taken into account, 24% of the median family income in **Louisiana** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Louisiana**, the maximum Pell Grant covered only 48% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 59% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Louisiana**, 61% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Louisiana** that year owed $19,024 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO LOUISIANA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Louisiana students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Louisiana** students will be eligible for an additional $36,001,000 in need-based grant aid next year, and an additional $390,883,000 over the next five years.[15] This would increase the average grant in **Louisiana** by $380 in 2008 to $3,040.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Louisiana** earning $39,500, with average student loan debt of $19,024, would have his or her monthly payments reduced by $49, from $219 to $170, a reduction of 23%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Louisiana** earning $31,298 with the state average loan debt of $19,024 could have loan payments capped at 15% – reducing his or her monthly payments by $63, from $219 to $156, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $10,853 .[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON MAINE STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Maine** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Maine** increased 34%, from $9,361 to $12,568.[2] The cost of attendance at four-year private colleges in **Maine** has increased 30%.[3] And yet family incomes are not keeping up: median household income in **Maine** increased just 18% in the same time frame.[4] Even after financial aid is taken into account, 36% of the median family income in **Maine** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Maine**, the maximum Pell Grant covered only 32% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 46% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Maine**, 68% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Maine** that year owed $20,239 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO MAINE STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Maine students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Maine** students will be eligible for an additional $7,200,000 in need-based grant aid next year, and an additional $78,172,000 over the next five years.[15] This would increase the average grant in **Maine** by $380 in 2008 to $3,010.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Maine** earning $36,100, with average student loan debt of $20,239, would have his or her monthly payments reduced by $78, from $233 to $155, a reduction of 33%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Maine** earning $26,643 with the state average loan debt of $20,239 could have loan payments capped at 15% – reducing his or her monthly payments by $91, from $233 to $142, a reduction of 39%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $14,718 .[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON MARYLAND STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Maryland** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Maryland** increased 36%, from $10,846 to $14,793.[2] The cost of attendance at four-year private colleges in **Maryland** has increased 25%.[3] And yet family incomes are not keeping up: median household income in **Maryland** increased just 11% in the same time frame.[4] Even after financial aid is taken into account, 32% of the median family income in **Maryland** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Maryland**, the maximum Pell Grant covered only 27% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 39% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Maryland**, 53% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Maryland** that year owed $14,822 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO MARYLAND STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Maryland students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Maryland** students will be eligible for an additional $24,681,000 in need-based grant aid next year, and an additional $267,973,000 over the next five years.[15] This would increase the average grant in **Maryland** by $350 in 2008 to $2,810.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Maryland** earning $45,490, with average student loan debt of $14,822, would have his or her monthly payments reduced by $20, from $171 to $151, a reduction of 12%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Maryland** earning $37,125 with the state average loan debt of $14,822 could have loan payments capped at 15% – reducing his or her monthly payments by $37, from $171 to $134, a reduction of 21%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $6,276.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON MASSACHUSETTS STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Massachusetts** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Massachusetts** increased 59%, from $9,206 to $14,651.[2] The cost of attendance at four-year private colleges in **Massachusetts** has increased 30%.[3] And yet family incomes are not keeping up: median household income in **Massachusetts** increased just 20% in the same time frame.[4] Even after financial aid is taken into account, 34% of the median family income in **Massachusetts** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Massachusetts**, the maximum Pell Grant covered only 28% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 50% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Massachusetts**, 62% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Massachusetts** that year owed $18,169 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO MASSACHUSETTS STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Massachusetts students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Massachusetts** students will be eligible for an additional $28,716,000 in need-based grant aid next year, and an additional $311,778,000 over the next five years.[15] This would increase the average grant in **Massachusetts** by $370 in 2008 to $2,960.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Massachusetts** earning $47,830, with average student loan debt of $18,169, would have his or her monthly payments reduced by $24, from $209 to $185, a reduction of 12%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Massachusetts** earning $35,421 with the state average loan debt of $18,169 could have loan payments capped at 15% – reducing his or her monthly payments by $60, from $209 to $149, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $10,365.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON MICHIGAN STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Michigan** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Michigan** increased 39%, from $9,841 to $13,693.[2] The cost of attendance at four-year private colleges in **Michigan** has increased 23%.[3] And yet family incomes are not keeping up: median household income in **Michigan** increased just 1% in the same time frame.[4] Even after financial aid is taken into account, 36% of the median family income in **Michigan** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Michigan**, the maximum Pell Grant covered only 30% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 44% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Michigan**, 60% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Michigan** that year owed $18,942 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO MICHIGAN STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Michigan students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Michigan** students will be eligible for an additional $62,279,000 in need-based grant aid next year, and an additional $676,185,000 over the next five years.[15] This would increase the average grant in **Michigan** by $340 in 2008 to $2,750.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Michigan** earning $45,620, with average student loan debt of $18,942, would have his or her monthly payments reduced by $25, from $218 to $193, a reduction of 12%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Michigan** earning $35,557 with the state average loan debt of $18,942 could have loan payments capped at 15% – reducing his or her monthly payments by $63, from $218 to $155, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $10,806.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON MINNESOTA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Minnesota** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Minnesota** increased 57%, from $8,146 to $12,777.[2] The cost of attendance at four-year private colleges in **Minnesota** has increased 27%.[3] And yet family incomes are not keeping up: median household income in **Minnesota** has stayed constant in the same time frame.[4] Even after financial aid is taken into account, 26% of the median family income in **Minnesota** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Minnesota**, the maximum Pell Grant covered only 32% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 52% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Minnesota**, 69% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Minnesota** that year owed $20,560 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO MINNESOTA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Minnesota students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Minnesota** students will be eligible for an additional $26,873,000 in need-based grant aid next year, and an additional $291,776,000 over the next five years.[15] This would increase the average grant in **Minnesota** by $350 in 2008 to $2,790.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Minnesota** earning $47,880, with average student loan debt of $20,560, would have his or her monthly payments reduced by $28, from $237 to $209, a reduction of 12%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Minnesota** earning $31,632 with the state average loan debt of $20,560 could have loan payments capped at 15% – reducing his or her monthly payments by $69, from $237 to $168, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $11,729.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON MISSISSIPPI STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Mississippi** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Mississippi** increased 32%, from $7,181 to $9,461.[2] The cost of attendance at four-year private colleges in **Mississippi** has increased 25%.[3] And yet family incomes are not keeping up: median household income in **Mississippi** decreased by 4% in the same time frame.[4] Even after financial aid is taken into account, 26% of the median family income in **Mississippi** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Mississippi**, the maximum Pell Grant covered only 43% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 54% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Mississippi**, 63% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Mississippi** that year owed $16,065 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO MISSISSIPPI STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Mississippi students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Mississippi** students will be eligible for an additional $31,720,000 in need-based grant aid next year, and an additional $344,398,000 over the next five years.[15] This would increase the average grant in **Mississippi** by $410 in 2008 to $3,300.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Mississippi** earning $29,380, with average student loan debt of $16,065, would have his or her monthly payments reduced by $74, from $185 to $111, a reduction of 40%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Mississippi** earning $28,200 with the state average loan debt of $16,065 could have loan payments capped at 15% – reducing his or her monthly payments by $67, from $185 to $118, a reduction of 36%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $11,527.[19]

RISING COLLEGE COSTS
ARE SHUTTING THE DOOR ON MISSOURI STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Missouri** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Missouri** increased 45%, from $8,201 to $11,861.[2] The cost of attendance at four-year private colleges in **Missouri** has increased 26%.[3] And yet family incomes are not keeping up: median household income in **Missouri** actually decreased by 5% in the same time frame.[4] Even after financial aid is taken into account, 31% of the median family income in **Missouri** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Missouri**, the maximum Pell Grant covered only 34% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 62% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Missouri**, 59% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Missouri** that year owed $16,505 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO MISSOURI STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Missouri students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Missouri** students will be eligible for an additional $38,422,000 in need-based grant aid next year, and an additional $417,164,000 over the next five years.[15] This would increase the average grant in **Missouri** by $360 in 2008 to $2,890.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Missouri** earning $30,730, with average student loan debt of $16,505, would have his or her monthly payments reduced by $64, from $190 to $126, a reduction of 33%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Missouri** earning $29,281 with the state average loan debt of $16,505 could have loan payments capped at 15% – reducing his or her monthly payments by $55, from $190 to $135, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $9,416.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON MONTANA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Montana** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Montana** increased 40%, from $7,607 to $10,613.[2] The cost of attendance at four-year private colleges in **Montana** has increased 27%.[3] And yet family incomes are not keeping up: median household income in **Montana** increased just 14% in the same time frame.[4] Even after financial aid is taken into account, 33% of the median family income in **Montana** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Montana**, the maximum Pell Grant covered only 38% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 51% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Montana**, 70% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Montana** that year owed $17,314 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO MONTANA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Montana students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Montana** students will be eligible for an additional $6,938,000 in need-based grant aid next year, and an additional $75,333,000 over the next five years.[15] This would increase the average grant in **Montana** by $400 in 2008 to $3,210.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Montana** earning $32,450, with average student loan debt of $17,314, would have his or her monthly payments reduced by $66, from $199 to $133, a reduction of 33%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Montana** earning $25,318 with the state average loan debt of $17,314 could have loan payments capped at 15% – reducing his or her monthly payments by $74, from $199 to $125, a reduction of 37%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $12,461.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON NEBRASKA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Nebraska** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Nebraska** increased 54%, from $7,335 to $11,286.[2] The cost of attendance at four-year private colleges in **Nebraska** has increased 28%.[3] And yet family incomes are not keeping up: median household income in **Nebraska** increased just 15% in the same time frame.[4] Even after financial aid is taken into account, 27% of the median family income in **Nebraska** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Nebraska**, the maximum Pell Grant covered only 36% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 63% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Nebraska**, 65% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Nebraska** that year owed $17,792 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO NEBRASKA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Nebraska students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Nebraska** students will be eligible for an additional $9,775,000 in need-based grant aid next year, and an additional $106,131,000 over the next five years.[15] This would increase the average grant in **Nebraska** by $340 in 2008 to $2,710.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Nebraska** earning $30,280, with average student loan debt of $17,792, would have his or her monthly payments reduced by $83, from $205 to $122, a reduction of 41%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Nebraska** earning $29,303 with the state average loan debt of $17,792 could have loan payments capped at 15% – reducing his or her monthly payments by $60, from $205 to $145, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $10,150.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON NEVADA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Nevada** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Nevada** increased 32%, from $8,252 to $10,865.[2] The cost of attendance at four-year private colleges in **Nevada** has increased 19%.[3] And yet family incomes are not keeping up: median household income in **Nevada** increased just 5% in the same time frame.[4] Even after financial aid is taken into account, 27% of the median family income in **Nevada** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Nevada**, the maximum Pell Grant covered only 37% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 60% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Nevada**, 41% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Nevada** that year owed $16,687 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO NEVADA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Nevada students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Nevada** students will be eligible for an additional $5,966,000 in need-based grant aid next year, and an additional $64,778,000 over the next five years.[15] This would increase the average grant in **Nevada** by $350 in 2008 to $2,810.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Nevada** earning $44,520, with average student loan debt of $16,687, would have his or her monthly payments reduced by $43, from $192 to $149, a reduction of 23%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Nevada** earning $27,957 with the state average loan debt of $16,687 could have loan payments capped at 15% – reducing his or her monthly payments by $70, from $192 to $122, a reduction of 36%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $11,974.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON NEW HAMPSHIRE STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **New Hampshire** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **New Hampshire** increased 32%, from $11,717 to $15,479.[2] The cost of attendance at four-year private colleges in **New Hampshire** has increased 27%.[3] And yet family incomes are not keeping up: median household income in **New Hampshire** increased just 12% in the same time frame.[4] Even after financial aid is taken into account, 32% of the median family income in **New Hampshire** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **New Hampshire**, the maximum Pell Grant covered only 26% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 46% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **New Hampshire**, 71% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **New Hampshire** that year owed $22,793 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO NEW HAMPSHIRE STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to New Hampshire students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **New Hampshire** students will be eligible for an additional $4,678,000 in need-based grant aid next year, and an additional $50,793,000 over the next five years.[15] This would increase the average grant in **New Hampshire** by $340 in 2008 to $2,740.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **New Hampshire** earning $38,910, with average student loan debt of $22,793, would have his or her monthly payments reduced by $59, from $262 to $203, a reduction of 23%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **New Hampshire** earning $28,279 with the state average loan debt of $22,793 could have loan payments capped at 15% – reducing his or her monthly payments by $100, from $262 to $162, a reduction of 38%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $16,462.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON NEW JERSEY STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **New Jersey** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **New Jersey** increased 48%, from $11,998 to $17,708.[2] The cost of attendance at four-year private colleges in **New Jersey** has increased 31%.[3] And yet family incomes are not keeping up: median household income in **New Jersey** increased just 26% in the same time frame.[4] Even after financial aid is taken into account, 37% of the median family income in **New Jersey** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **New Jersey**, the maximum Pell Grant covered only 23% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 43% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **New Jersey**, 61% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **New Jersey** that year owed $16,393 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO NEW JERSEY STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to New Jersey students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **New Jersey** students will be eligible for an additional $40,027,000 in need-based grant aid next year, and an additional $434,592,000 over the next five years.[15] This would increase the average grant in **New Jersey** by $380 in 2008 to $3,060.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **New Jersey** earning $49,490, with average student loan debt of $16,393, would have his or her monthly payments reduced by $22, from $189 to $167, a reduction of 12%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **New Jersey** earning $38,408 with the state average loan debt of $16,393 could have loan payments capped at 15% – reducing his or her monthly payments by $41, from $189 to $148, a reduction of 21%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $6,941.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON NEW MEXICO STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **New Mexico** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **New Mexico** increased 35%, from $7,085 to $9,579.[2] The cost of attendance at four-year public colleges in **New Mexico** increased 5%.[3] Median household income in **New Mexico** increased just 11% in the same time frame, considerably slower than the rate of increase at public colleges.[4] Even after financial aid is taken into account, 28% of the median family income in **New Mexico** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **New Mexico**, the maximum Pell Grant covered only 42% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 58% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **New Mexico**, 53% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **New Mexico** that year owed $16,137 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO NEW MEXICO STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to New Mexico students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **New Mexico** students will be eligible for an additional $15,968,000 in need-based grant aid next year, and an additional $173,370,000 over the next five years.[15] This would increase the average grant in **New Mexico** by $380 in 2008 to $3,020.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **New Mexico** earning $28,970, with average student loan debt of $16,137, would have his or her monthly payments reduced by $81, from $186 to $105, a reduction of 43%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **New Mexico** earning $33,730 with the state average loan debt of $16,137 could have loan payments capped at 15% – reducing his or her monthly payments by $54, from $186 to $132, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $9,206.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON NEW YORK STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **New York** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **New York** increased 29%, from $10,254 to $13,275.[2] The cost of attendance at four-year private colleges in **New York** has increased 29%.[3] And yet family incomes are not keeping up: median household income in **New York** increased just 16% in the same time frame.[4] Even after financial aid is taken into account, 33% of the median family income in **New York** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **New York**, the maximum Pell Grant covered only 31% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 45% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **New York**, 64% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **New York** that year owed $18,795 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO NEW YORK STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to New York students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **New York** students will be eligible for an additional $154,657,000 in need-based grant aid next year, and an additional $1,679,172,000 over the next five years.[15] This would increase the average grant in **New York** by $410 in 2008 to $3,250.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **New York** earning $42,540, with average student loan debt of $18,795, would have his or her monthly payments reduced by $48, from $216 to $168, a reduction of 23%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **New York** earning $37,321 with the state average loan debt of $18,795 could have loan payments capped at 15% – reducing his or her monthly payments by $46, from $216 to $170, a reduction of 21%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $7,959.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON NORTH CAROLINA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **North Carolina** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **North Carolina** increased 37%, from $7,080 to $9,675.[2] The cost of attendance at four-year private colleges in **North Carolina** has increased 31%.[3] And yet family incomes are not keeping up: median household income in **North Carolina** increased just 10% in the same time frame.[4] Even after financial aid is taken into account, 26% of the median family income in **North Carolina** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **North Carolina**, the maximum Pell Grant covered only 42% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 69% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **North Carolina**, 59% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **North Carolina** that year owed $16,661 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO NORTH CAROLINA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to North Carolina students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **North Carolina** students will be eligible for an additional $57,365,000 in need-based grant aid next year, and an additional $622,832,000 over the next five years.[15] This would increase the average grant in **North Carolina** by $390 in 2008 to $3,110.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **North Carolina** earning $37,440, with average student loan debt of $16,661, would have his or her monthly payments reduced by $43, from $192 to $149, a reduction of 23%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **North Carolina** earning $27,944 with the state average loan debt of $16,661 could have loan payments capped at 15% – reducing his or her monthly payments by $70, from $192 to $122, a reduction of 36%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $11,955.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON NORTH DAKOTA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **North Dakota** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **North Dakota** increased 53%, from $6,405 to $9,829.[2] The cost of attendance at four-year private colleges in **North Dakota** has increased 19%.[3] Median household income in **North Dakota** increased just 16% in the same time frame, slower than the rate of increase at private colleges, and considerably slower than the rate of increase at public colleges.[4] Even after financial aid is taken into account, 28% of the median family income in **North Dakota** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **North Dakota**, the maximum Pell Grant covered only 41% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 67% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **North Dakota**, 73% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **North Dakota** that year owed $22,682 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO NORTH DAKOTA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to North Dakota students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **North Dakota** students will be eligible for an additional $5,288,000 in need-based grant aid next year, and an additional $57,415,000 over the next five years.[15] This would increase the average grant in **North Dakota** by $390 in 2008 to $3,090.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **North Dakota** earning $37,130, with average student loan debt of $22,682, would have his or her monthly payments reduced by $59, from $261 to $202, a reduction of 23%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **North Dakota** earning $24,872 with the state average loan debt of $22,682 could have loan payments capped at 15% – reducing his or her monthly payments by $142, from $261 to $119, a reduction of 54%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $21,624.[19]

RISING COLLEGE COSTS
ARE SHUTTING THE DOOR ON OHIO STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Ohio** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Ohio** increased 53%, from $10,449 to $16,032.[2] The cost of attendance at four-year private colleges in **Ohio** has increased 28%.[3] And yet family incomes are not keeping up: median household income in **Ohio** increased just 3% in the same time frame.[4] Even after financial aid is taken into account, 42% of the median family income in **Ohio** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Ohio**, the maximum Pell Grant covered only 25% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 43% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Ohio**, 66% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Ohio** that year owed $19,259 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO OHIO STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Ohio students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Ohio** students will be eligible for an additional $73,492,000 in need-based grant aid next year, and an additional $797,939,000 over the next five years.[15] This would increase the average grant in **Ohio** by $360 in 2008 to $2,870.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Ohio** earning $33,520, with average student loan debt of $19,259, would have his or her monthly payments reduced by $75, from $222 to $147, a reduction of 33%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Ohio** earning $33,671 with the state average loan debt of $19,259 could have loan payments capped at 15% – reducing his or her monthly payments by $65, from $222 to $157, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $10,987.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON OKLAHOMA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Oklahoma** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Oklahoma** increased 57%, from $6,000 to $9,404.[2] The cost of attendance at four-year private colleges in **Oklahoma** has increased 31%.[3] And yet family incomes are not keeping up: median household income in **Oklahoma** increased just 16% in the same time frame.[4] Even after financial aid is taken into account, 24% of the median family income in **Oklahoma** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Oklahoma**, the maximum Pell Grant covered only 43% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 72% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Oklahoma**, 53% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Oklahoma** that year owed $17,063 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO OKLAHOMA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Oklahoma students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Oklahoma** students will be eligible for an additional $29,426,000 in need-based grant aid next year, and an additional $319,487,000 over the next five years.[15] This would increase the average grant in **Oklahoma** by $380 in 2008 to $3,020.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Oklahoma** earning $29,150, with average student loan debt of $17,063, would have his or her monthly payments reduced by $88, from $196 to $108, a reduction of 45%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Oklahoma** earning $29,174 with the state average loan debt of $17,063 could have loan payments capped at 15% – reducing his or her monthly payments by $56, from $196 to $140, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $9,734.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON OREGON STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Oregon** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Oregon** increased 35%, from $9,397 to $12,720.[2] The cost of attendance at four-year private colleges in **Oregon** has increased 20%.[3] And yet family incomes are not keeping up: median household income in **Oregon** increased just 4% in the same time frame.[4] Even after financial aid is taken into account, 36% of the median family income in **Oregon** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Oregon**, the maximum Pell Grant covered only 32% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 53% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Oregon**, 67% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Oregon** that year owed $19,420 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO OREGON STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Oregon students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Oregon** students will be eligible for an additional $23,325,000 in need-based grant aid next year, and an additional $253,255,000 over the next five years.[15] This would increase the average grant in **Oregon** by $370 in 2008 to $2,980.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Oregon** earning $36,380, with average student loan debt of $19,420, would have his or her monthly payments reduced by $50, from $223 to $173, a reduction of 23%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Oregon** earning $33,699 with the state average loan debt of $19,420 could have loan payments capped at 15% – reducing his or her monthly payments by $64, from $223 to $159, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $11,079.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON PENNSYLVANIA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Pennsylvania** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Pennsylvania** increased 39%, from $11,087 to $15,464.[2] The cost of attendance at four-year private colleges in **Pennsylvania** has increased 29%.[3] And yet family incomes are not keeping up: median household income in **Pennsylvania** increased just 10% in the same time frame.[4] Even after financial aid is taken into account, 39% of the median family income in **Pennsylvania** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Pennsylvania**, the maximum Pell Grant covered only 26% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 41% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Pennsylvania**, 69% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Pennsylvania** that year owed $20,775 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO PENNSYLVANIA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Pennsylvania students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Pennsylvania** students will be eligible for an additional $69,685,000 in need-based grant aid next year, and an additional $756,596,000 over the next five years.[15] This would increase the average grant in **Pennsylvania** by $370 in 2008 to $2,980.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Pennsylvania** earning $30,220, with average student loan debt of $20,775, would have his or her monthly payments reduced by $118, from $239 to $121, a reduction of 49%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Pennsylvania** earning $34,976 with the state average loan debt of $20,775 could have loan payments capped at 15% – reducing his or her monthly payments by $69, from $239 to $170, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $11,852.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON RHODE ISLAND STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Rhode Island** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Rhode Island** increased 29%, from $11,104 to $14,315.[2] The cost of attendance at four-year private colleges in **Rhode Island** has increased 27%.[3] And yet family incomes are not keeping up: median household income in **Rhode Island** increased just 17% in the same time frame.[4] Even after financial aid is taken into account, 39% of the median family income in **Rhode Island** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Rhode Island**, the maximum Pell Grant covered only 28% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 39% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Rhode Island**, 61% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Rhode Island** that year owed $20,798 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO RHODE ISLAND STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Rhode Island students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Rhode Island** students will be eligible for an additional $7,811,000 in need-based grant aid next year, and an additional $84,803,000 over the next five years.[15] This would increase the average grant in **Rhode Island** by $360 in 2008 to $2,880.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Rhode Island** earning $52,190, with average student loan debt of $20,798, would have his or her monthly payments reduced by $27, from $239 to $212, a reduction of 12%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Rhode Island** earning $33,815 with the state average loan debt of $20,798 could have loan payments capped at 15% – reducing his or her monthly payments by $69, from $239 to $170, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $11,968.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON SOUTH CAROLINA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **South Carolina** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **South Carolina** increased 45%, from $9,065 to $13,145.[2] The cost of attendance at four-year private colleges in **South Carolina** has increased 26%.[3] And yet family incomes are not keeping up: median household income in **South Carolina** increased just 7% in the same time frame.[4] Even after financial aid is taken into account, 36% of the median family income in **South Carolina** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **South Carolina**, the maximum Pell Grant covered only 31% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 50% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **South Carolina**, 58% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **South Carolina** that year owed $17,719 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO SOUTH CAROLINA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to South Carolina students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **South Carolina** students will be eligible for an additional $28,872,000 in need-based grant aid next year, and an additional $313,476,000 over the next five years.[15] This would increase the average grant in **South Carolina** by $370 in 2008 to $2,980.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **South Carolina** earning $29,400, with average student loan debt of $17,719, would have his or her monthly payments reduced by $93, from $204 to $111, a reduction of 46%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **South Carolina** earning $28,568 with the state average loan debt of $17,719 could have loan payments capped at 15% – reducing his or her monthly payments by $74, from $204 to $130, a reduction of 36%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $12,714.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON SOUTH DAKOTA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **South Dakota** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **South Dakota** increased 36%, from $6,979 to $9,493.[2] The cost of attendance at four-year private colleges in **South Dakota** has increased 23%.[3] And yet family incomes are not keeping up: median household income in **South Dakota** increased just 18% in the same time frame.[4] Even after financial aid is taken into account, 27% of the median family income in **South Dakota** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **South Dakota**, the maximum Pell Grant covered only 43% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 62% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **South Dakota**, 78% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **South Dakota** that year owed $19,724 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO SOUTH DAKOTA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to South Dakota students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **South Dakota** students will be eligible for an additional $6,259,000 in need-based grant aid next year, and an additional $67,953,000 over the next five years.[15] This would increase the average grant in **South Dakota** by $370 in 2008 to $2,980.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **South Dakota** earning $30,760, with average student loan debt of $19,724, would have his or her monthly payments reduced by $99, from $227 to $128, a reduction of 44%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **South Dakota** earning $26,111 with the state average loan debt of $19,724 could have loan payments capped at 15% – reducing his or her monthly payments by $92, from $227 to $135, a reduction of 41%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $14,502.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON TENNESSEE STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Tennessee** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Tennessee** increased 30%, from $7,661 to $9,956.[2] The cost of attendance at four-year private colleges in **Tennessee** has increased 27%.[3] And yet family incomes are not keeping up: median household income in **Tennessee** increased just 16% in the same time frame.[4] Even after financial aid is taken into account, 26% of the median family income in **Tennessee** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Tennessee**, the maximum Pell Grant covered only 41% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 62% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Tennessee**, 47% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Tennessee** that year owed $19,165 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO TENNESSEE STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Tennessee students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Tennessee** students will be eligible for an additional $39,045,000 in need-based grant aid next year, and an additional $423,926,000 over the next five years.[15] This would increase the average grant in **Tennessee** by $370 in 2008 to $2,990.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Tennessee** earning $33,250, with average student loan debt of $19,165, would have his or her monthly payments reduced by $74, from $221 to $147, a reduction of 33%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Tennessee** earning $32,369 with the state average loan debt of $19,165 could have loan payments capped at 15% – reducing his or her monthly payments by $64, from $221 to $157, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $10,933.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON TEXAS STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Texas** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Texas** increased 44%, from $7,634 to $10,973.[2] The cost of attendance at four-year private colleges in **Texas** has increased 38%.[3] And yet family incomes are not keeping up: median household income in **Texas** increased just 7% in the same time frame.[4] Even after financial aid is taken into account, 30% of the median family income in **Texas** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Texas**, the maximum Pell Grant covered only 37% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 55% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Texas**, 52% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Texas** that year owed $17,176 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO TEXAS STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Texas students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Texas** students will be eligible for an additional $163,722,000 in need-based grant aid next year, and an additional $1,777,598,000 over the next five years.[15] This would increase the average grant in **Texas** by $380 in 2008 to $3,050.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Texas** earning $32,970, with average student loan debt of $17,176, would have his or her monthly payments reduced by $67, from $198 to $131, a reduction of 33%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Texas** earning $33,775 with the state average loan debt of $17,176 could have loan payments capped at 15% – reducing his or her monthly payments by $58, from $198 to $140, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $9,799.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON UTAH STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Utah** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Utah** increased 32%, from $6,623 to $8,745.[2] The cost of attendance at four-year private colleges in **Utah** has increased 31%.[3] And yet family incomes are not keeping up: median household income in **Utah** increased just 15% in the same time frame.[4] Even after financial aid is taken into account, 18% of the median family income in **Utah** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Utah**, the maximum Pell Grant covered only 46% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 53% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Utah**, 44% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Utah** that year owed $11,709 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO UTAH STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Utah students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Utah** students will be eligible for an additional $22,634,000 in need-based grant aid next year, and an additional $245,746,000 over the next five years.[15] This would increase the average grant in **Utah** by $370 in 2008 to $2,960.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Utah** earning $31,430, with average student loan debt of $11,709, would have his or her monthly payments reduced by $45, from $135 to $90, a reduction of 33%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Utah** earning $26,521 with the state average loan debt of $11,709 could have loan payments capped at 15% – reducing his or her monthly payments by $49, from $135 to $86, a reduction of 36%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $8,402.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON VERMONT STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Vermont** and across the nation.

The Cost of College Has Soared. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Vermont** increased 29%, from $12,836 to $16,571.[2] The cost of attendance at four-year private colleges in **Vermont** has increased 30%.[3] Even after financial aid is taken into account, 41% of the median family income in **Vermont** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Vermont**, the maximum Pell Grant covered only 24% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 30% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Vermont**, 67% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Vermont** that year owed $19,482 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO VERMONT STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Vermont students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Vermont** students will be eligible for an additional $3,150,000 in need-based grant aid next year, and an additional $34,203,000 over the next five years.[15] This would increase the average grant in **Vermont** by $370 in 2008 to $2,920.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Vermont** earning $36,730, with average student loan debt of $19,482, would have his or her monthly payments reduced by $50, from $224 to $174, a reduction of 23%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Vermont** earning $26,461 with the state average loan debt of $19,482 could have loan payments capped at 15% – reducing his or her monthly payments by $85, from $224 to $139, a reduction of 38%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $14,052.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON VIRGINIA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Virginia** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Virginia** increased 40%, from $8,744 to $12,279.[2] The cost of attendance at four-year private colleges in **Virginia** has increased 27%.[3] And yet family incomes are not keeping up: median household income in **Virginia** increased just 10% in the same time frame.[4] Even after financial aid is taken into account, 27% of the median family income in **Virginia** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Virginia**, the maximum Pell Grant covered only 33% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 42% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Virginia**, 58% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Virginia** that year owed $16,558 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO VIRGINIA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Virginia students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Virginia** students will be eligible for an additional $35,924,000 in need-based grant aid next year, and an additional $390,043,000 over the next five years.[15] This would increase the average grant in **Virginia** by $360 in 2008 to $2,900.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Virginia** earning $37,250, with average student loan debt of $16,558, would have his or her monthly payments reduced by $43, from $191 to $148, a reduction of 23%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Virginia** earning $33,200 with the state average loan debt of $16,558 could have loan payments capped at 15% – reducing his or her monthly payments by $56, from $191 to $135, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $9,446.[19]

Rising College Costs Are Shutting the Door on Washington Students

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Washington** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Washington** increased 39%, from $8,917 to $12,384.[2] The cost of attendance at four-year private colleges in **Washington** has increased 27%.[3] And yet family incomes are not keeping up: median household income in **Washington** increased just 19% in the same time frame.[4] Even after financial aid is taken into account, 31% of the median family income in **Washington** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Washington**, the maximum Pell Grant covered only 33% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 53% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Washington**, 58% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Washington** that year owed $19,565 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO WASHINGTON STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Washington students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Washington** students will be eligible for an additional $30,758,000 in need-based grant aid next year, and an additional $333,955,000 over the next five years.[15] This would increase the average grant in **Washington** by $360 in 2008 to $2,870.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Washington** earning $36,990, with average student loan debt of $19,565, would have his or her monthly payments reduced by $51, from $225 to $174, a reduction of 23%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Washington** earning $30,974 with the state average loan debt of $19,565 could have loan payments capped at 15% – reducing his or her monthly payments by $65, from $225 to $160, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $11,162.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON WEST VIRGINIA STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **West Virginia** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **West Virginia** increased 37%, from $7,287 to $9,992.[2] The cost of attendance at four-year private colleges in **West Virginia** has increased 9%.[3] Median household income in **West Virginia** increased 24% in the same time frame – enough to cover the private college increase, but considerably slower than the rate of increase at public colleges.[4] Even after financial aid is taken into account, 31% of the median family income in **West Virginia** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **West Virginia**, the maximum Pell Grant covered only 41% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 51% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **West Virginia**, 65% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **West Virginia** that year owed $16,041 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO WEST VIRGINIA STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to West Virginia students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **West Virginia** students will be eligible for an additional $14,970,000 in need-based grant aid next year, and an additional $162,537,000 over the next five years.[15] This would increase the average grant in **West Virginia** by $400 in 2008 to $3,190.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **West Virginia** earning $26,800, with average student loan debt of $16,041, would have his or her monthly payments reduced by $107, from $185 to $78, a reduction of 58%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **West Virginia** earning $26,704 with the state average loan debt of $16,041 could have loan payments capped at 15% – reducing his or her monthly payments by $68, from $185 to $117, a reduction of 36%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $11,510.[19]

RISING COLLEGE COSTS ARE SHUTTING THE DOOR ON WISCONSIN STUDENTS

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Wisconsin** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Wisconsin** increased 43%, from $7,385 to $10,560.[2] The cost of attendance at four-year private colleges in **Wisconsin** has increased 27%.[3] And yet family incomes are not keeping up: median household income in **Wisconsin** actually decreased by 1% in the same time frame.[4] Even after financial aid is taken into account, 26% of the median family income in **Wisconsin** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Wisconsin**, the maximum Pell Grant covered only 38% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 58% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Wisconsin**, 63% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Wisconsin** that year owed $17,224 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO WISCONSIN STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Wisconsin students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Wisconsin** students will be eligible for an additional $24,602,000 in need-based grant aid next year, and an additional $267,116,000 over the next five years.[15] This would increase the average grant in **Wisconsin** by $360 in 2008 to $2,880.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Wisconsin** earning $42,780, with average student loan debt of $17,224, would have his or her monthly payments reduced by $44, from $198 to $154, a reduction of 23%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Wisconsin** earning $25,222 with the state average loan debt of $17,224 could have loan payments capped at 15% – reducing his or her monthly payments by $74, from $198 to $124, a reduction of 38%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $12,409.[19]

Rising College Costs
Are Shutting the Door on Wyoming Students

Despite the Growing Importance of a College Degree, More and More Students and Families are Struggling to Pay for College. A college degree is more important than ever in today's rapidly changing economy: over 6 out of 10 jobs now require some form of postsecondary education or training.[1] Yet rising costs are placing college education out of reach for millions of hardworking American students and families. Years of stagnant federal grant aid have led to increasing numbers of students and their families falling further and further into debt to finance a college education. The College Cost Reduction and Access Act of 2007 will bring much-needed relief to students and families in **Wyoming** and across the nation.

The Cost of College Has Soared, While Median Family Incomes Have Remained Stagnant. Between the 2000-2001 and 2005-2006 school years, the cost of attendance (including tuition, fees, room and board) at four-year public colleges in **Wyoming** increased 27%, from $7,017 to $8,946.[2] And yet family incomes are not keeping up: median household income in **Wyoming** increased just 13% in the same time frame.[4] Even after financial aid is taken into account, 23% of the median family income in **Wyoming** is needed to pay for just one year of college at a four-year public college.[5]

Federal Student Grant Aid Has Not Kept Up. In **Wyoming**, the maximum Pell Grant covered only 45% of the average public four-year college tuition, fees, room and board in 2005-2006 – down from 62% in 1986-1987.[6] Nationwide, much of federal spending on student aid has shifted from grants to loans: thirty years ago, 77% of federal aid to students was in the form of grants, and only 20% was in the form of loans.[7] By the 2005-2006 school year, this distribution was reversed to 73% loans, 20% grants.[8]

Students are Taking on More Debt to Pay for College. More students are leaving college in debt. In 2004, almost two-thirds of all four-year college graduates nationwide had loan debt, compared with less than a third of graduates in 1993.[9] In **Wyoming**, 45% of students graduating from four-year institutions in the 2004-2005 school year graduated with debt.[10] The average student graduating from a four-year college in **Wyoming** that year owed $16,741 in student loan debt.[11]

These Increased Debt Levels Are Affecting Students' Career Choices and Life Choices. Nationally, nearly a quarter of public four-year college graduates and over a third of private four-year college graduates have too much debt to afford a starting teacher's salary.[12] For social workers, the numbers are even worse: over half of those graduating from private colleges have too much debt to enter the profession.[13] Debt levels are also causing graduates to delay buying a home or a car and postpone marriage and having children.[14]

THE COLLEGE COST REDUCTION AND ACCESS ACT OF 2007: A NEW COMMITMENT TO WYOMING STUDENTS

To reverse these trends, the College Cost Reduction and Access Act of 2007 would bring significant help to Wyoming students. The Act would increase grant aid to low-income students, increase the number of students automatically eligible for the maximum Pell Grant, decrease the work penalty for students who work and receive financial aid, make loan repayment more manageable for borrowers with significant loan debt, and forgive the debt of those who commit to public service.

Specifically, the College Cost Reduction and Access Act of 2007 would:

- Increase the maximum grant for Pell-eligible students by $500 next year, and to $5,400 by 2012. This means low-income **Wyoming** students will be eligible for an additional $3,254,000 in need-based grant aid next year, and an additional $35,329,000 over the next five years.[15] This would increase the average grant in **Wyoming** by $380 in 2008 to $3,030.[16] The legislation would also increase the income level at which a student is automatically eligible for the maximum grant award and protect working students by increasing the amount of student income sheltered from the financial aid process.

- Cap federal student loan payments at 15 percent of a borrower's discretionary income, bringing needed relief to students with excessive loan burdens. A social worker with one child in **Wyoming** earning $34,560, with average student loan debt of $16,741, would have his or her monthly payments reduced by $65, from $193 to $128, a reduction of 33%.[17]

- Forgive the debt of borrowers who continue in public service careers such as nursing, teaching, or law enforcement for 10 years. Under this bill, a starting teacher in **Wyoming** earning $31,481 with the state average loan debt of $16,741 could have loan payments capped at 15% – reducing his or her monthly payments by $56, from $193 to $137, a reduction of 29%.[18] After 10 years of teaching, all remaining debt would be forgiven – in this case, a benefit worth $9,551.[19]

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[2] National Center for Education Statistics, *Digest of Education Statistics, 2001* and *Digest of Education Statistics, 2006* (preliminary).

[3] *Id.*

[4] HELP Committee calculations, based on data from U.S. Census Bureau, Historical Income Tables.

[5] National Institute for Public Policy and Higher Education, *Measuring Up 2006: The National Report Card on Higher Education* (2006).

[6] HELP Committee calculations based on cost of attendance data from National Center for Education Statistics, *Digest of Education Statistics, 1988* and *Digest of Education Statistics, 2006* (preliminary). 1986-1987 data for Delaware and Wyoming from Integrated Postsecondary Education Data System (*Digest of Education Statistics, 1988* data incomplete for those states).

[7] College Board, Historical Tables on Federal Aid (2006).

[8] College Board, *Trends in Student Aid* (2006).

[9] Proportion of graduates from all four-year colleges and universities graduating with debt. Calculations by the Project on Student Debt at the Institute for College Access and Success, based on data from the National Center for Education Statistics (NCES), National Postsecondary Student Aid Study (NPSAS), 1993 and 2004 undergraduates, Data Analysis System (DAS).

[10] Proportion of graduates from all four-year colleges and universities graduating with debt. Includes only campuses reporting total debt through the Common Data Set initiative. Calculations by the Project on Student Debt using campus data collected from the Common Data Set questionnaire, licensed through Thomson Peterson's at Thomson Peterson's Undergraduate Financial Aid and Undergraduate Databases. © 2006 Thomson Peterson's, a part of Thomson Learning Inc. All rights reserved.

[11] Average debt of graduates from four-year colleges and universities, weighted by enrollment. Includes only campuses reporting total debt through the Common Data Set initiative. Calculations by the Project on Student Debt using campus data collected from the Common Data Set questionnaire, licensed through Thomson Peterson's at Thomson Peterson's Undergraduate Financial Aid and Undergraduate Databases. © 2006 Thomson Peterson's, a part of Thomson Learning Inc. All rights reserved.

[12] State PIRGs' Higher Education Project, *Paying Back, Not Giving Back: Student Debt's Negative Impact on Public Service Career Opportunities* (April 2006).

[13] *Id.*

[14] Nellie Mae Corporation, *College on Credit: How Borrowers Perceive Their Education Debt – Results of the 2002 National Student Loan Survey*, (February 2003).

[15] Estimates by Senate HELP Committee and House Education and Labor Committee, based on data from the Congressional Budget Office and the National Association of Independent Colleges and Universities. Grant aid increases include projected new funding for Pell grant program provided by College Cost Reduction and Access Act of 2007 and estimated aid under the existing Pell grant program, including increases from provisions in the College Cost Reduction and Access Act that change needs analysis calculations for Pell grant eligibility purposes. Annual Pell funding reflects total funding state will receive for the award year that corresponds to the funding provided for such fiscal year. Grant aid estimates based on proportion of Pell grant aid each state received in award year 2005-2006.

[16] Estimates by Senate HELP Committee and House Education and Labor Committee, based on data from the Congressional Budget Office and the National Association of Independent Colleges and Universities. Grant aid increases include projected new funding for Pell grant program provided by College Cost Reduction and Access Act of 2007 and estimated aid under the existing Pell grant program, including increases from provisions in the College Cost Reduction and Access Act that change needs analysis calculations for Pell grant eligibility purposes. Annual Pell funding reflects total funding state will receive for the award year that corresponds to the funding provided for such fiscal year. Grant aid estimates based on proportion of Pell grant aid each state received in award year 2005-2006.

[17] Calculations by the Project on Student Debt of the Institute for College Access and Success. Assumes loans are unsubsidized loans. Calculations are based on the median salary of a social worker in each state and average student loan debt of graduates in each state. Salary data and poverty rate are adjusted for inflation on an annual basis. Salary data is from Bureau of Labor Statistics, Occupational Employment Data (May 2006). Average graduate debt is from the Project on Student Debt. (See Note 11 for further details on data and source.)

[18] Calculations by the Project on Student Debt of the Institute for College Access and Success. Assumes loans are unsubsidized loans. Calculations are based on the starting salary of a teacher in each state in the 2004-2005 school year and average student loan debt of graduates in each state. Salary data and poverty rate are adjusted for inflation on an annual basis. Salary data is from the American Federation of Teachers, *Survey and Analysis of Teacher Salary Trends 2005*. Average graduate debt is from the Project on Student Debt. (See Note 11 for further details on data and source.)

[19] Calculations by the Project on Student Debt of the Institute for College Access and Success. Calculations rely on all assumptions described in Note 18, and assume the individual takes advantage of the 15 percent cap on loan payments included in this legislation.