



Fighting The Rising Cost Of Higher Education

By *Teresa Cendreda*



For more and more people, it's getting too expensive to go to college. According to a report, "Higher Education: Soaring Out of Reach for Families," recently released by Sen. Edward Kennedy (D-MA), Rep. George Miller (D-CA), and Campaign for America's Future Co-Director Robert Borosage, the cost of attending a public, four-year college or university has increased 42 percent since President Bush took office, while the median family income has fallen two percent.

The new report, a series of state and national reports compiled by Campaign for America's Future, finds that with tuition costs rising far faster than inflation, real wages still stagnating, federal assistance to students and parents shrinking, and states cutting back institutional support, millions of students are foregoing college, dropping out, or incurring serious debt.

The America's Future report criticized the federal government for cutting back on need-based aid and low-interest student loans. This year, Congress passed a bill that cut \$12 billion from student loan programs.

President Bush later signed the bill, which reduced subsidies to lenders and raised interest rates on loans taken out by students and their parents, into law.

In the meantime, several lawmakers are touting a plan to combat the rising costs of higher education.

"The combination of inadequate Pell Grants and high interest rates for Stafford Loans saddles college students and their families in New York," said Rep. Anthony Weiner.

Rep. Weiner, Rep. Carolyn Maloney, and several of their Democratic colleagues in New York's congressional delegation are proposing to raise the maximum award for Pell Grants, which aid in college tuition payments for low and middle income households, while slashing interest rates in half on federal Stafford Loans. The amount of money a student can receive from a Pell Grant is need-based, with a current ceiling of \$4,050. This proposal would raise the maximum award to \$5,100 per student. The plan would also cut college interest rates on federally funded Stafford Loans to 3.4 percent from 6.8 percent. And it calls for a \$3,000 tax credit for college tuition.

Under the legislation, the typical undergraduate student borrower with \$17,500 in debt would save \$5,600 over the life of his or her loan.