



## **Nelnet supports ASLP endorsement of H.R. 1293**

### **ANDREWS BILL WILL INCREASE ACCESS TO HIGHER EDUCATION**

#### **ASLP Endorses H.R. 1293, Access and Equity in Higher Education Act**

Washington, D.C. - America's Student Loan Providers today endorsed legislation recently introduced by Rep. Rob Andrews (D-NJ) that would make changes in the federal government's student loan programs that would increase access to college and meet the needs of increasingly diverse student population. H.R. 1293, Access and Equity in Higher Education Act, was introduced on March 15, 2005, and referred to the House Committee on Education and the Workforce. Rep. Andrews is a member of the committee.

"The Access and Equity in Higher Education Act takes necessary steps to ensure that the growing demand for student loans will be met, by putting the focus of higher education finance where it should be - on increasing access to higher education," stated Kevin Bruns, Executive Director of ASLP in a letter to Rep. Andrews. A complete copy of the letter follows:

March 21, 2005  
The Honorable Rob Andrews  
United States House of Representatives  
2439 Rayburn House Office Building  
Washington, D.C. 20515

Dear Rep. Andrews:

America's Student Loan Providers represents more than 80 education and financial firms and organizations that provide federally guaranteed student loans to more than five million students nationwide. We are writing to commend you for introducing H.R. 1293, the Access and Equity in Higher Education Act, which would help increase access to higher education.

Our institutions of higher education are experiencing the same profound level of demographic change as the nation as a whole. The challenges and opportunities facing today's college students in determining what kind of school meets their needs and how they pay for it are not the same as those that faced their parents. All the growth in higher education populations in the last decade was supplied by minorities. Today, women are now a significant majority of the students in college. These trends cannot be ignored. The effects of these changes are now coming to bear upon our higher education system. A financial aid system that is designed to meet the needs of decades past must become a thing of the past. It is essential that our financial aid programs be prepared to deal with the students and needs of the 21st Century.

The Access and Equity in Higher Education Act takes necessary steps to ensure that the growing demand for student loans will be met, by putting the focus of higher education finance where it should be - on increasing access to higher education. H.R. 1293 proposes common sense solutions to the needs faced by students, of all ages, entering postsecondary education. Reducing and, in some cases, eliminating origination fees will lower the cost of student loans. By raising the loan limits, which have been static for decades, students who need to borrow more to attend the school of their choice will have access to these critical funds. Changing the interest rates on consolidation loans will help make sure that borrowers are not advantaged or disadvantaged by the interest rates in place when they completed their loans, and it will free up resources that can be targeted to new students struggling to attend school. Finally, new, more flexible repayment plans will meet the diverse needs of today's graduates, especially those who graduate with large levels of debt and take entry level and public service jobs

Your legislation, along with the bill introduced by Chairman John Boehner (R-OH), is a positive step towards improving the Higher Education Act and increasing the resources and benefits available for students to pay for higher education. The members of ASLP commend you for introducing your bill and are ready to work with both you and Chairman Boehner to enact a HEA reauthorization bill that benefits students and increases access to higher education.

Sincerely,

Kevin Bruns Executive Director

America's Student Loan Providers represents more than 80 education and financial firms and organizations that provide federally guaranteed student loans through the Federal Family Education Loan Program (FFELP), a public-private partnership of schools, students, loan providers, loan guarantors, and the federal government. By leveraging private financial markets and competing for the right to lend to students, the FFELP brings value to students, schools, and taxpayers. Students benefit through lower interest rates, and simplified loan application and approval processes. More than 500 schools have switched to the FFELP since 1998 because it allows them to choose the lender that best meets the financial needs of their students. More information is available at [www.studentloanfacts.org](http://www.studentloanfacts.org).