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## **Expert Lauds House Passage of College Cost Reduction Act, Urges Senate to Follow House Lead**

“Today’s passage of the College Cost Reduction Act of 2007 by the House brings us a step closer to much needed relief for students and families everywhere. This is a strong bill that will do a tremendous amount to reduce the burden of student debt and make college more affordable. Key provisions of this bill include a long-overdue increase in Pell Grants, capping student loan payments and interest costs, and increasing the amount of federal loans available to students.

“We applaud the important steps taken to create a more equitable student loan system. With the new Income-Based Repayment plan approved by the House today, past, present and future borrowers can cap federal student loan payments at a reasonable percentage of income and cancel remaining debt after 20 years of repayment. This mirrors the [Plan for Fair Loan Payments](#) that we developed last year.

“The combination of additional grant aid, increased availability of federal loans, and payment caps will help students avoid costly private loans and allow them to graduate from college less burdened by debt. By reducing excessive lender subsidies, this legislation will dramatically increase investment in college affordability, without spending new taxpayer dollars.

“We commend the House for its strong leadership in putting students and families first in the federal student loan system. We urge the Senate to act as decisively as their colleagues in the House, and look forward to seeing the President’s signature on this crucial legislation.”

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The Project on Student Debt works to increase public understanding of the changing role of student debt and its implications for our families, economy and society. Recognizing that loans play a critical role in making college possible, the Project’s goal is to identify cost-effective solutions that expand educational opportunity, protect family financial security, and advance economic competitiveness. The Project on Student Debt is managed by The Institute for College Access & Success, a nonprofit, nonpartisan organization working to make higher education more available and affordable for people of all backgrounds. For more information see [www.projectonstudentdebt.org](http://www.projectonstudentdebt.org) and [www.ticas.org](http://www.ticas.org).