



For Immediate Release

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***ENZI COSPONSORS BILL TO REAUTHORIZE HIGHER
EDUCATION ACT – SWIFT COMMITTEE ACTION EXPECTED***

Washington, D.C. - U.S. Senator Mike Enzi (R-WY), Ranking Member of the Senate Health, Education, Labor and Pensions (HELP) Committee, yesterday cosponsored a bipartisan Higher Education Act (HEA) reauthorization bill, S. 1642, that will make college more affordable, protect students from bad actors in the student loan industry, and provide students with clear information they need to understand and manage their debts. The committee will consider this legislation on Wednesday, June 20th.

“After over three years of negotiations, Republicans and Democrats have reached agreement on a number of key measures to make college more affordable for students by providing meaningful increases to Pell Grants, restore students’ trust in student loan programs by holding lenders and schools to a code of conduct, and ensure that students and parents have the information they need about the costs of college and the impact of their loans to make sound decisions about their futures,” Enzi said.

The bill creates a code of conduct for schools, lenders, and guaranty agencies to ensure that the agreements between lenders and universities work to the benefit of students.

“While I do not believe that a student or parent at a financial aid fair could be induced into signing up for a lifetime of debt in exchange for free taco parties, yo-yos, or bookmarks, I do believe that we must do more to ensure that students and parents receive sound, honest advice about their student loans, and have the information they need to understand and manage their debts,” Enzi said.

“Students should continue to trust their financial advisors at their schools to provide them honest, unbiased advice about the loans that will affect their lives for years to come. This bill requires schools, lenders, and guaranty agencies to abide by an ethical code of conduct that addresses the bad actors that have tarnished the reputation of the higher education community.”

Key provisions of the bill include:

- Raising the authorized level for a maximum Federal Pell grant award for low income students to \$5,400 for academic year 2008-09, with additional increases through 2012;
- Expanding eligibility for National Science and Mathematics Access to Retain Talent (SMART) grants to more students majoring in fields of math, science, engineering, technology and critical foreign languages;
- Expanding grant assistance opportunities, including year-round Pell Grants for non-traditional students;
- Providing consumer friendly, easy to access and understand, detailed information about college tuition and fees;
- Requiring the Department of Education to establish protocols for limiting and restoring access to the National Student Loan Data System, a database that contains personal financial information about student borrowers and their families and is used by students, schools, lenders, and guarantee agencies.
- Requiring colleges to establish Codes of Conduct to prohibit their financial aid employees from receiving anything of value in exchange for advantages sought by lenders; and
- Expanding prohibitions on guaranty agencies and lenders that restrict the offering of any premiums, payments, prizes, and tuition payments.

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