



For Immediate Release

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Tuesday, July 28, 2009

Wrong Answer For Student Loans: Fewer Choices, More Bureaucracy

*HELP Committee Ranking Member Enzi Concerned
About President's Student Lending Plan*

Washington, D.C. – U.S. Senator Mike Enzi (R-Wyo.), Ranking Member of the Senate Health, Education, Labor and Pensions (HELP) Committee commented today on an analysis from the Congressional Budget Office (CBO) that reveals significantly less savings than previously promised under President Obama's proposed mandate that all student loans come from the federal government by elimination of the Federal Family Education Loan program (FFEL).

"In these times when families are making great financial sacrifices to pay for college education expenses, Congress should not eliminate financial aid choices," said Enzi. "The more we learn about the fiscal implications of a government student loan monopoly, the more reason there is to be concerned. Each CBO analysis brings reduced savings and increased uncertainty. What do we gain from scrapping a program that has helped millions of students over the past 40 years get a college education? Eliminating choices doesn't reduce the cost of college or provide the necessary services students need once they graduate and start repaying their loans."

"Competition and free market solutions increase access to lending options for students and improve customer service," added Enzi. "It's plain old common sense that bottlenecking the only source of student loans at the Treasury Department in Washington, DC is a bad idea and leaves serious questions regarding how we are going to pay for these proposed new programs."

The [letter from CBO](#) was sent to Senate Budget Committee Ranking Member, Judd Gregg (R-NH), in response to his request for analysis of President Obama's proposal that would mandate all student loans to be offered through the U.S Dept. of the Treasury and the Direct Student Loan Program.

The President's proposal has been incorporated into H.R. 3221, the Student Aid and Fiscal Responsibility Act of 2009, which the House is expected to vote on this week.

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