

## **The Higher Education Opportunity Act**

### **Addressing Rising College Prices and Increasing Transparency**

*A college education continues to be the best path to the middle class, but rising prices are making it more and more difficult for students and families to pay for a college degree. According to a recent College Board report, tuition and fees at four-year public institutions have increased 31 percent – after inflation – over the last five years. Prices are up across the board, at two-year and four-year colleges and at public and private colleges.*

*The Higher Education Opportunity Act would address rising college costs and remove other barriers that keep qualified students from pursuing a college education. H.R. 4137 would:*

#### **Provide consumers with comprehensive information on college pricing**

- Creates a user-friendly website to provide students and families with helpful information about institutions, including college pricing, graduation rates, and popular majors.
- Requires the Department of Education to annually publish a user-friendly list of all colleges and universities in the country to provide consumers with information on tuition and fees, average price after grant aid, recent price increases, and change in per-student spending.
- Establishes an online net price calculator to provide students and families with estimates of cost based on income and family situations, and apply those estimates to individual schools.
- Creates an online calculator that would allow students and families to estimate the annual and total cost of a college education based on individual colleges and universities.
- Increases transparency for consumers by publishing three lists, by type of institution: the five percent most expensive institutions in the country; the ten percent least expensive institutions in the country; and the five percent of institutions with the largest percentage increase in tuition prices over the previous three years.

#### **Ensure that states maintain higher education funding commitments**

- Establishes a state maintenance-of-effort to make sure that states hold up their end of the bargain in funding higher education. If this requirement is met, states would be eligible to receive College Access Challenge Grants, which provide funds for need-based aid and support services for low-income students.

#### **Encourage colleges to use innovative strategies to rein in price increases**

- Provides colleges and universities that keep prices low with additional need-based grant aid incentives.
- Encourages colleges and universities to use innovative methods to rein in price increases, such as environmentally sustainable approaches that can lower energy costs.

#### **Hold colleges accountable for price increases**

- Requires schools with the largest percentage increases in tuition prices to report the reasons for these increases to the U.S. Department of Education.